SEP 26 1986

WISCONSIN EMPLOYMENT RELATIONS COMMISSION

#### STATE OF WISCONSIN

#### BEFORE THE ARBITRATOR

In the matter of the impasse between: \*

\* \* \* \* \* \* \* \* \* \* \* \* \* \* \* \* \* \* \*

Case 8 No. 36334 M

No. 36334 MED/ARB 3778 Decision No. 23433 -A

OAKFIELD SCHOOL BOARD

OAKFIELD EDUCATION ASSOCIATION

Michael R. Monfils Arbitrator

Arordiator

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#### APPEARANCES

Mr. David R. Friedman, Attorney at Law, representing the Board;

Mr. Gary L. Miller, Uniserv Director, Winnebagoland Uniserv Unit-South representing the Association.

#### BACKGROUND AND APPOINTMENT

The Oakfield School District, hereinafter referred to as the "Board," filed a petition on January 9, 1986, with the Wisconsin Employment Relations Commission (WERC) alleging that an impasse existed between itself and the Oakfield Education Association, hereinafter referred to as the "Association," in settling the wages for the second year of their 1984-1986 Collective Bargaining Agreement. The WERC conducted an investigation in the matter and concluded that an impasse did exist. In an order of April 8, 1986, they assigned the Undersigned to conduct mediation/arbitration proceedings under Section 111.70 (4) (cm) 6 ff. There was no public hearing petitioned for nor conducted. On May 22, 1986, the parties and the Undersigned attempted to mediate a settlement. Having declared that mediation was not successful and that the impassed remained, the Undersigned accepted the stipulations of the parties that they proceed immediately to arbitration. The hearing was conducted on the same day at which time the parties were given ample opportunity to present written and oral evidence and make argument. The record was closed and the hearing was recessed pending the receipt of written briefs of the parties. Upon the receipt of the Reply Brief of the Association of July 24, 1986, the hearing was adjourned.

## FINAL OFFERS OF THE PARTIES

The final offers of the parties include an existing contract in which only the wage matters are opened and at issue.

#### THE BOARD

Article V B. 1. change "10.00" to "\$6.50" and "\$40.00" to "\$26.00".

# 1985-1986 Salary Schedule

Year	BA	BA+6	BA+12	+18MS	+24MS	MS	MS+6
0	15782	16255	16571	16887	17202	17518	17834
1	16255	16743	17110	17478	17874	18306	18637
2	16729	17230	17648	18069	18492	19095	19439
3	17202	17718	18187	18660	19137	19883	20242
4	17676	18206	18725	19251	18782	20671	21044
5	18149	18693	19264	19842	20427	21460	21847
6		19181	19802	20433	21072	22248	22649
7		19669	20341	21024	21718	23036	23452
8		20156	20879	21615	22363	23824	24254
9		20644	21418	22206	23008	24613	25057
10		21132	21957	22797	23653	25401	25859
11			22495	23388	24298	26189	26662
12			23034	23980	24943	25978	27464
13			23572	24571	25588	27766	28267
14						28554	29069

Appendix B - Extra Pay for Extra Duties

For 1985-86, increase each extra duty listed in Appendix B by 6% rounded up to the nearest dollar.

		• -		THE ASS	OCIATION		
Year	ВА	BA+6	BA+12	+18MS	+24MS	MS	MS+6
0	15970	16449	16769	17088	17407	17727	18046
1	16449	16943	17313	17686	18060	18524	18858
2	16928	17436	17858	18284	18713	19322	19670
3	17407	17930	18403	18882	19366	20120	20482
4	17886	18423	18948	19480	20018	20918	21294
5	18366	18916	19493	20078	20671	21715	22106
6		19410	20038	20676	21324	22513	22919
7		19903	20583	21274	21977	23311	23731
8		20397	21128	21873	22629	24108	24543
9		20890	21673	22471	23282	24906	25355
10		21384	22218	23069	23935	25704	26167
11			22763	23667	24588	26501	26979
12			23308	24265	25241	27299	27791
13			23853	24868	25893	28097	28609
14						28895	29415

Extra Pay for Extra Duties: 6% across-the-board increase.

#### STATUTORY CRITERIA

Wis. Statutes 111.70 (4) (cm) 7. "Factors considered." In making any decision under the arbitration procedures authorized by this subsection, the mediator-arbitrator shall give weight to the following factors:

- a. The lawful authority of the municipal employer.
- b. Stipulations of the parties.
- c. The interests and welfare of the public and the financial ability of the unit of government to meet the costs of any proposed settlement.
- the unit of government to meet the costs of any proposed settlement.

  d. Comparison of wages, hours and conditions of employment of the municipal employes involved in the arbitration proceedings with the wages, hours and conditions of employment of other employes performing similar services and with other employes generally in public employment in the same community and in comparable communities and in private employment in the same community and in comparable communities.
- e. The average consumer prices for goods and services, commonly known as the cost-of-living.
- f. The overall compensation presently received by the municipal employes, including direct wage compensation, vacation, holidays and excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment, and all other benefits received.
- g. Changes in any of the forgoing circumstances during the pendency of the arbitration proceedings.
- h. Such other factors, not confined to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours and conditions of employment through voluntary collective bargaining, mediation, fact-finding, arbitration or otherwise between the parties, in the public service or in private employment.

# POSITIONS OF THE PARTIES

### BOARD

The only real disagreement in this case is over the amount of money to paid to teachers. The Board does have a proposal on chaperone pay which would place the caperone pay more in line with what it should be than what is contained in the current collective bargaining agreement. The Oakfield District is part of an eight school athletic conference. Five of the eight districts have settled leaving three districts in Fond du Lac County. Those three have significant rural areas. Oakfield has the highest levy at 12.22 (dollars per thousand) and the highest cost per student. Farm foreclosures are up, unemployment is up to 10% while the State is at 8.6%. The properties are decreasing in value leaving less base on which to raise taxes.

The Board offer represents an 8.03% increase in the total package. Combined

with the 1984-85 award, the increases will be 17.82% for two years. The Association's offer would make the total increase 9.18%. While the average area increases in the private sector and public sector are between 2.8% and 4.9%, there can be no justification for a raise as high as the Association is asking for. The national average Employment Cost Index for Schools rose 6.7% for the twelve months preceeding September, 1985. The CPJ rose 2.46% in the prior 12 months. No one can expect an increase of 8% let alone 9.13%.

As all of this is happening, the farmland values in the district are decreasing and the residential values are static. There is less tax base from which to draw support. Increasing the costs to the district will place an even greater burden on those that are left holding land in the County. The problems facing the Wisconsin farmers make the outlook bleak as to any quick recovery. The District cannot depend on increased State aid since there is no way to tell what the State will do in the next session.

Non-educational sectors of the economy are not getting raises exceeding 8%. They range from 2.8% to 4.6%. Even schools for the last 12 months nationally received an average increase of only 6.7%. There is no doubt that in the past teachers as a whole were underpaid. Corrections have been taken to see that teachers in general are no longer the lowest paid employees in a district. But, how many years can the Board keep paying twice the cost-of-living and still hear complaints from the Association that its members are underpaid. The Board must balance the interest of the teachers, the citizens, and the Board itself.

While the Board acknowledged that the Flyway Athletic Conference is the comparable, the settled districts have had advantages unavailable to Oakfield. Horicon reaped a \$2,058 decrease in dental insurance that it could use for salaries. At that Horicon gave only 8.3% in raises. Lomira is offering a total increase of \$2,366 per teacher, lower than Oakfield, and has lower health insurance rates. Markesan settled for only 8.69% and its insurance went down. Mayville is not really comparable because they changed their workdays from 188 to 190. The effects of this change confuse any honest comparison. Even N. Fond du Lac did not pick up the additional share of Wisconsin State Retirement (WRS) until September, 1986, and instituted some cost saving programs in insurance.

"The school districts cannot operate in isolation in the community. To have employees receiving wages that any reasonable person would feel is excessive is not in the best interest of education."

## THE ASSOCIATION

The Association argues its case from a number of points with comparability being the mainstay. Since both parties accepted the Flyway Athlectic Conference as the comparables, any reasonable evaluation of those salaries must lead one to believe that Oakfield teachers are not paid the same as their counterparts. Attempts by the Board in brief to tie adverse economic averages to Oakfield specifically are born out by no testimony or evidence in the hearing which would lead to a connection directly to Oakfield.

Because of the anamoly presented by arbitrating salaries after the school year is over, the Board actually received a \$5,396 windfall in that its projections were higher than the actual payments made. While the Association lays no claim to that money, it does coincidentally make up about 50% of the difference of the two final offers.

The Association relies most heavily on the 5 districts settled in the conference. It rejects the Board suggestion that districts not settled be used to in someway make the comparability data more comparable. The five districts are accurate. Even Mayfield is recalculated to reflect the new schedule. The Association offer better reflects the Conference settlements that are completed. In actual salaries paid at benchmarks Oakfield will fare worse than the others even under the Association offer and surely under the Board offer. Even the actual raise in salary in the Board's final offer does not reflect the dollar raises given in the Conference. The Association offer does reflect the salary—only increase given by the other districts.

The conference benchmarks clearly demonstrate that the raises given over the years in Oakfield have not kept up with the average. Thus, Oakfield started out behind and is getting worse in relation to their peers. The use of

comparisons with private industry is not acceptible to most arbitrators and should not be used here. While such may have a bearing, just as the Consumer Price Index may have a bearing, the comparable settlements among similar circumstances are the best criterion for the arbitrator.

The total package data favors the Association package as well. In the six comaparble districts, the Association offer exceeds the average by \$45 while the Board offer is \$288 less than the average. All of the traditional comparability favors the Association. Of those same schools only Oakfield and Markesan have inferior benefit packages.

The Association believes that the best criterion for resolution of this matter is the agreements reached through voluntary collective bargaining in comparable situations. The Associations arguments fully support that criterion.

### FINDING OF FACT

- 1. That the parties are properly before the arbitrator as authorized agents is clear and uncontested. The parties stipulated to the lawful authority of the employer. None of the exhibits reflect any contest to that stipulation.
- 2. The briefs of both parties accept the Flyway Athletic Conference as comparables with five districts of eight settled. The brief of the Board goes on to point out that the three unsettled districts are in Fond du Lac County and all have significant rural areas. N. Fond du Lac, a settled district, is also in that County.
- 3. Unemployment in Wisconsin as of March, 1986, was at 8.6% while in Fond du Lac County it was 10%. (Board Ex. 141 & 142)
- 4. The total property values of all of the municipalities, save one, that constitute the Oakfield District have declined. Decreases in land value as opposed to improvements seems to be the primary factor according to Association Ex. 52. The District is primarily rural with the farmland and improvements declining in equalized value according to the same exhibit.
- 5. At the close of the hearing the five settled districts in the conference were: Horizon

Mayville

Lomira

Markesan

N. Fond du Lac.

Unsettled besides Oakfield were Rosendale/Brandon and Campbellsport.

6. There being many pages of data concerning the appropriate comparability between the already settled districts and Oakfield, the Undersigned will take the liberty of using summaries from the certain exhibits of the parties to avoid duplicating pages of data. Association Ex. 26 arrays the position of comparability within the districts factually. The Undersigned has tested other benchmarks to verify that those used in the exhibit do reflect the comparability. Since the twelfth step at BA 12 had the largest group of teachers in it, that benchmark was added to test the reliability of the others. They adquately reflect the comparability.

Historical Ranking at Salary Schedule Benchmarks

SCHOOL NAME	81-82	82-83	83-84	84-85	85-86 ASSO.	85-86 BOARD
			BA-	MIN		
Horicon	1	1	1	1	2	2
Group Average	2	2	3	4	5	5
Mayville	3	2	2	2	1	1
Oakfield	4	4	4	6	6	6
Lomira	5	6	6	3	3	3
Markesan	5	4	4	5	4	4
N. Fond du Lac	7	7	7	7	7	7
			BA-	MAX		
Mayville	1	1	1	1	1	1
Lomira	2	2	2	2	Ħ	4

Group Average Markesan Horicon N. Fond du Lac	3 4 5 6	4 3 5 6	4 3 5 6	4 3 6 5	3 5 6 2	3 5 6 2
Oakfield	7	7	7	7	7	7
	•		1/4	14.737		
Horicon	1	1	MA- 1	-M T N 1	1	1
Mayville	2	2	2	2	2	2
Group Average	3	3	3	3	3	3
Oakfield	4	4	4	ő	6	$\overline{7}$
Lomira	5	6	6	4	4	4
N. Fond du Lac	6	7	7	5	7	6
Markesan	7	5	5	7	5	5
			MA_	-MAX		
Horicon	1	1	1	1	1	1
Oakfield		2	2	2	2	2
Lomira	<u>2</u> 3	3	3	4	4	2 4
Mayville	4	14	4	3	3	3 5
Group Average	5	5	5	5	3 5 7	5
N. Fond du Lac	6	7	7	7		7
Markesan	7	6	6	6	6	6
			SCH-	-MAX		
Horicon	1	1	1	1	1	7
Oakfield	2	2	2	4	4	4
Mayville	3	3	4	2	2	2
Lomira	4	4	5	6	6	6
Group Average	5	5	6	3	3	3
N. Fond du Lac Markesan	6 7	7 6	7 3	7 5	7 5	7 5
<b>маскеза</b> п	ı	U	7	9	5	,
			BA-	-7TH		
Mayville	1	1	1	1	1	1
Horicon	2	2	2	6	6	6
Group Average	3	3	4	3	3	3
Lomira Markesan	4	5 4	3	2 4	2 4	2 4
N. Fond du Lac	5 6	6	5 6	5	5	5
Oakfield	7	7	7	7	7	7
	<del></del>	<u> </u>				
Horicon	1	1	MA-1	_	1	1
Oakfield	2	1 2	3	1 5	1 5	5
Mayville	<u>2</u> 3	3	<u>-,</u>	2	2	<u>5</u> 2
Group Average	4	ŭ	4	4	4	4
Lomira	5		5	3	3 7	4 3 7
N. Fond du Lac	6	5 7	7	7		
Markesan	7	6	6	6	6	6
			BA 12	-12TH		
Horicon	1	1	1	2	2	2
Group Average	2	6	3	3	3	3
Mayville	3	2	2	1	1	1
Lomira	4	5	7	4	5	5
N. Fond du Lac	5	7	4	5	4	4
Oakfield	$\frac{6}{7}$	- <u>3</u>	<u>5</u>	<u>6</u> 7	<u>6</u> 7	<del>7</del> 6
Markesan	1	4	O	1	ľ	O

7. Total, average package settlements in the comparable districts are:

District	<u>%</u>	Average Increase	Average Pay
Horicon	8.3%	\$2,580	\$23,429
Markesan	8.57%	2,310	24,436
Mayville	8.92%	2,669	24,781
Lomira	8.79%	2,362	23,125
N. Fond du Lac	8.84%	2,458	23,185
Oakfield Board	8.02%	2,272	23,369
Oakfield Asso.	9.19%	2,604	23,647

- 8. Average raises in the noneducational sector range from 2.8% to 4.9% for the same period of time (Board exhibits 94, 97, 100, 102, 115) in the State of Wisconsin and nationally.
- 9. The following figures represent a comparison of total employer costs versus the total district costs for the districts in the conference in 1984-1985 (Board Exhibits 8 and 16 through 24:

District	Total Cost	Empl. Cost	<u>Percentage</u>
Campbellsport	3,032,969	2,124,405	70.0
Horicon	2,706,410	1,733,833	64.1
Lomira	2,192,536	1,261,475	5 <b>7.</b> 5
Markesan	3,179,251	1,854,829	58.3
Mayville	3,232,278	1,993,009	61.7
N. Fond du Lac	2,775,781	1,697,832	61.2
Oakfield	2,090,940	1,216,179	58.2
Rosendale	3,510,560	1,928,862	54.9

- 10. National employment costs in education have increased 6.7% for the twelve months preceeding Spetember, 1985, while the cost of wages for that same group and same period increased 6.3%.
- 11. The cost of living measured by the National Consumer Price Index for the period ending June 30, 1985, rose 3.56%.
- 12. Association Exhibit 30 gives the breakdowns of the various benefits paid in the comparable school districts. Oakfield offers health and dental insurance programs. Oakfield does not offer a life insurance or longterm disability plan. Four of the eight Conference districts do offer life insurance. Six offer longterm disability.
- 13. The average pay for selected occupations of college graduates starting in the workplace was \$22,372 last year (Association Exhibit 33). The occupations tallied are: Sales-Marketing, Liberal Arts, Computer, Chemistry, Mathematics or Statistics, Economics of Finance, Engineering, Accounting, and Business Administration. Teachers in Oakfield will start at \$15,970 under the Association Offer and at \$15,782 under the Board Offer.
- 14. The average teacher in the nation is paid \$25,257. The average in Oakfield will be \$23,369 if the Board prevails and \$23,647 if the Association prevails.

# DISCUSSION AND CONCLUSIONS OF LAW

It would seem like a good idea to begin with a little general overview of the whole idea of arbitration in the schools. While the Med/Arb Law may have been promoted and adopted for political reasons, the intention was to provide a method of settlement reflecting the rationale that the parties would normally go through in achieving settlements on their own. Thus, 111.70 has a provision for strikes and provision for mediated settlement and yet another provision for arbitrated awards.

Strikes and mediation speak for themselves with regard to the rationale for settlements. Whatever the parties settle at is the rational place to be. In arbitration, the arbitrator must craft a decision choosing an offer that most closely reflects the position that the parties would have achieved by eventually reaching an agreement through the collective bargaining process. But, the parties do not provide that ultimate criterion since they are in arbitration and by definition not settled. To determine what they would have done, the method of arbitration seeks to evaluate what others paid who have settled contracts, who are under similar circumstances, similarly employed, with similar economic conditions. What other teachers have agreed to under similar circumstances is what these teachers can expect to get in arbitration. What the majorities of other boards have given is what the Board in Oakfield can expect to have to give.

This process is necessary because there is no set of magic numbers by which one can decide what is fair and equitable. An auto worker may have reluctantly accepted a 12% raise last year while feeling lucky this year to get by with a 5% cut. In determining teachers' salaries the arbitrator must look beyond the horror stories in the briefs of parties describing the exact

same sets of figures as unconscionably low or high to come to some equitable place. Arriving at that place of equity, the two offers must be weighed against that equity as whole offers to see which is closer.

The statutes did not provide a specific set of comparable settlements. But the corpus of arbitration decisions seems to have agreed that the athletic conference in which a specific district participates is the most comparable set of districts. The conferences are based on districts of similar size so that the small disticts are not playing sports against large metro districts with thousands of students to choose from. The other conference districts are usually within reasonable travel distance which tends to put them in similar economic circumstances. Unless one finds that there is something vastly different between a district like Lomira and one like Oakfield next door, one must assume that the economics do not vary substantially over a space of twenty or twenty-five miles. Only when the athletic conferences prove deficient do the arbitrators seek elsewhere for comparability. Once given the athletic conference, the burden of proof shifts to the parties to show that in fact those districts are not comparable or that comparability is not the critical issue.

The parties agreed on the record that the Flyway Conference is the pool for comparison with the Oakfield District. There are five districts settled in that conference as shown in Fact 5 above. Rosendale and Campbellsport were not settled at the time of the hearing and have no basis for comparison for this year. The Association had entered the exhibits supporting the five districts for the last five years presuming them to be the most valuable comparison. Using the two unsettled districts would be inconclusive and tend to confuse the issue. The Board objected because they felt that the other two districts were relevant as far as they went. The Board did not furnish a complete set of exhibits for those other two districts so that the two cannot be included anyway. The Board objected to the use of years before 1984-1985 as irrelevant. As will be seen later, they are in fact very relevant.

The parties do not embrace the comparative districts with the same zeal even though they both stipulate that the districts are the proper comparables. Chiefly the Board challanges the value of the Lomira settlement because Lomira has lower insurance rates and thus more money to spend on salaries. The Association Exhibit 30 shows that Lomira has an additional benefit, long term disability, which is unavailable to the teachers in Oakfield. They argue that Lomira actually spends more on benefits and on salaries. If there is a difference in those benefits, the record does not give enough evidence to determine that the difference really favors one position over the other. One reaches the same conclusion about the benefits in the other districts versus Oakfield after reviewing Board Exhibits 26 through 30. The cost of benefits may be slightly higher per teacher in Oakfield because there are fewer teachers through which to spread the premiums. Conversely, Oakfield has less benefits than the average district. The argument about benefits is not sufficiently documented by facts presented in the case to persuade one to embrace the challenges of the Board with regard to the benefits.

The Board also challenges the merits of using the Mayfield settlement because of the added contract days last year. They claim that it is impossible to understand the relationship of Mayfield to the rest of the conference. Because two days were added to the school calendar, the salaries as adjusted can not be understood in relation to this year and in relation to the rest of the districts. The Association submitted exhibits that clearly adjusted the salaries and their comparability based on the 190 day calendar. The Association duly explained the Mayfield situation when it presented the exhibits with the 190 day calendar. Having accepted that during the hearing, having understood it then, and having heard the Board acknowledge that it then understood the relationship, the Undersigned continues to understand that comparison. Mayfield is comparable.

Resolving that the settled Districts of the Conference are proper subjects for comparison does not establish what the nature of that comparison should be. Should it be benchmarks or average, should it be increases or total pay, should it be increase in costs or straight salaries?

Starting with the comparison of increases in Fact 7, the rate of increase as a percent for the overall cost of 8.02% for the Board Offer versus 9.19% for the Association seems to favor choosing the Board Offer. However, the same increase expressed as an average dollar increase shows the Association Offer

generates an additional \$2,604 per teacher while the Board offers \$2,272. Of the five comparable districts, the lowest average increase is that of the Oakfield Board. The Association average is second from the top. Because the two comparisons are at the extreme ends of the average raises given, they provide little conclusive evidence. Without having an idea of the educational levels and the experience on which the other districts' averages are computed, one runs a grave risk in using averages here whether it be in percentages or dollars.

The Board argument that the national average increase in wages was 6.3% more closely matches its offer of 8.02% as opposed to the Association Offer of 9.19% does give one occasion to pause. However, Association Exhibit 34 shows that the average teacher in the country was paid \$25,257 last year and the average teacher in Oakfield would be paid only \$23,647 under the most generous of the two offers. The percentage of increase itself is high but the effect in terms of cash awarded is not. The statistics favor the Board Offer, the effect favors the Association.

There is a real weakness in discussing averages. Boards and teachers over the years have agreed that experience is valuable and desirable in teaching children. The longer a teacher teaches, the more experience is gained, and the more valuable is the teacher. One school may have high average salaries because it has senior teachers while another school may have fewer senior teachers and lower average salaries. A teacher in the second instance could in fact make more money than an exactly comparable peer in the first district although the "average" salary is higher in the first. Averages alone may be deceptive unless one can establish that the background data from which they are derived has some substantial similarity. In the instant matter, the data necessary to completely compare those averages is lacking. What is there tends to favor the Association Offer. Thus, using averages in the instant matter is risky.

Looking at the benchmarks in the Association Exhibits 14 through 29 and Board Exhibits 10 through 15, one can evaluate benchmark salaries. A new teacher entering the Oakfield System at the base level can expect to be paid less than peers in four of five other districts no matter which Oakfield offer is chosen. Should that teacher have a masters degree, the pay would be 6 of 6 under the Board offer and 5 of 6 under the Association offer. Except for MA MAX and Schedule Maximum, this situation pervades the comparison of benchmarks. If the trend of the last five years were to continue, the teachers in Oakfield could look forward to being the worse paid of their peers regardless of experience and education. In four of the eight arrayed benchmarks, the Board Offer places the teachers last of the comparables. In one other, they are 5th of six, in one other third of six. The Association Offer is higher than the Board Offer, but, in only two benchmarks does is raise a position over the Board Offer. They are not paid comparably by inspection of the traditional benchmarks. At MA MIN the Association would keep Oakfield in fifth place. The same is true for BA12-12. The twelfth step of the BA plus 12 credit level pays poorest under Board offer and second from last under the Association Offer. That is the level that has the most teachers in the Oakfield System.

One must conclude in looking at benchmarks that the Association Offer is the fairer of the two. It reflects most closely the pay given to teachers in other districts at least in the current year. Those benchmarks also show that the position of the teachers with respect to their peers has eroded over the last five years.

While the Board does not concede any of this comparability in their brief, they do argue that the economic situation nationally and locally makes the kind of raise asked for impossible. Tax bases are decreasing. The promise of increased shared revenue or tax relief may not be forthcoming. It is true that the tax base is decreasing in Oakfield. Of the settled Conference districts, Oakfield has the most rural area. The farmland is decreasing in value. At the same time, Oakfield already has the highest levy. It also has a high cost per student, higher than the other districts.

The evidence does show that the overall cost per student is higher in Oakfield. It does not show that teachers' salaries are the cause for the cost being higher. The salaries are lower per teacher in the benchmarks and per average teacher no matter which final offer is chosen. The benefits are average or less. The total package cost increase does not sharply exceed the

conference averages even if the higher offer is chosen. Where then does the higher per pupil cost for Oakfield come from? From higher costs in administration? From higher materials cost? From higher utilities cost, higher debt? There is not evidence to show where it comes from. Fact #9 does demonstrate that the salary packages in the comparable schools are a greater percentage of the total school costs than is the case in Oakfield and Rosendale. The non-teacher costs are a greater percentage of the overall costs in Oakfield than they are in the other districts. The teacher costs in Oakfield were 58.2% of the total costs in the 1984-85 school year. In the other districts the same comparison showed that teachers' costs were anywhere from 58.3% to 70% depending on the district.

The evaluation of this data militates against the proposal that the high costs in the Oakfield District must be addressed by providing less than average salaries to the teachers. The data shows that they are not comparably paid, that their costs are a lesser percentage of the budget than are their peers in other districts, and that their relative positions are eroding in recent years.

In their brief the Board argues that the raises for the teachers have brought them into comparability with the private sector employment in the district in recent years and now relieve the District from having to bring teachers in line with other comparable occupations in Oakfield. The argument may or may not be accurate. The Undersigned recognizes that there has been a national and state trend in this direction in recent years. There is just no evidence entered into the record that would lead one to conclude that Oakfield has done that. There is not even any evidence on record that the state has succeeded in doing that.

At first blush, both offers may seem overly generous when compared with the CPI or some other "economic indicator." Fact 8 shows that non educational salaries have increased only 2.8% to 4.9% in Wisconsin and the Nation. Even the Board offer is a flat 7% increase in base pay compared with the CPI or some other "economic indicator." Fact 8 shows that non educational salaries have increased only 2.8% to 4.9% in Wisconsin and the Nation. Even the Board offer is a flat 7% increase in base pay with no advancement calculated in. Yet, the majority of the board members of five other districts also agreed to raises of about the same percentage and dollar amounts facing those same comparisons. In effect those boards are saying that their teachers deserve increases in the range of 8 to 9% inspite of the national averages and inspite of the conditions in the state and county. To accept the conclusion that Oakfield can under similar conditions offer less pay or a lessor increase must also accept that Oakfield is distinct from the rest of the conference so as to reject the settlements of similar districts. The record does not show that.

Is it possible to accept that the Association Offer is in fact more comparable to the other districts in the Conference and still accept the Board Offer because economic circumstances dictate special relief? If the facts show that, yes it is. The exhibits do show that farmers are going out of business in large numbers. They do demonstrate that Oakfield has much agricultural base and that the value of that base is waning. Fond du Lac County has high unemployment, as much as 10%. Those are all serious problems that provide pause for consideration. The exact effects of these problems on Oakfield is not linked in testimony or in written evidence as the Association suggests in its brief. To ask that the salaries of the Oakfield teachers be further eroded with respect to their peers by accepting the Board Offer and argument, would demand some very tangible evidence that showed that their economic scenerio was linked to Oakfield. It's not there.

The question of extra duty pay is not argued in detail by the parties. Since raising that 6% is less than the regular increase and since the parties both agreed to 6%, it actually favors the selection of the higher offer.

The issue of chaperone pay would not be changed under the Association Offer. The Board would decrease it. Choosing the Board Offer to do that would further exacerbate the already low position of the District.

Having determined that the Association Offer more closely reflects the salaries paid in other similar districts, having determined that the other facts do not offset that comparison enough to cast it aside, one must conclude that the Association Offer is most fair in light of the situation.