

STATE OF WISCONSIN  
BEFORE THE MEDIATOR/ARBITRATOR

SEP 21 1986

WISCONSIN EMPLOYMENT RELATIONS COMMISSION  
MEDIATION DIVISION

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In the Matter of the : :  
Mediation/Arbitration Between : : Case 13  
: : No. 36083 Med/Arb-3671  
WHITEHALL TEACHERS ASSOCIATION : : Decision No. 23448-A  
: :  
and : : Sharon K. Imes  
: : Mediator/Arbitrator  
WHITEHALL SCHOOL DISTRICT : :  
: :  
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APPEARANCES:

James C. Bertram, Executive Director, Coulee Region United Educators, appearing on behalf of the Whitehall Teachers Association.

Shannon Bradbury, Wisconsin Association of School Boards, Inc., appearing on behalf of the Whitehall School District.

ARBITRATION HEARING BACKGROUND AND JURISDICTION:

On April 10, 1986, the undersigned was notified by the Wisconsin Employment Relations Commission of appointment as mediator/arbitrator under Section 111.70(4)(cm)6 of the Municipal Employment Relations Act in the matter of impasse identified above. Pursuant to statutory requirement, mediation proceedings between the Whitehall Teachers Association, hereinafter referred to as the Association, and the Whitehall School District, hereinafter referred to as the District or the Employer, were conducted on June 10, 1986. Mediation failed to resolve the impasse and the parties proceeded immediately to arbitration. During the hearing, the parties were given full opportunity to present relevant evidence and make oral argument. Subsequently, the parties filed briefs and reply briefs with the arbitrator, the last of which was sent to the opposing party on July 28, 1986.

THE FINAL OFFERS:

The remaining issue at impasse between the parties concerns salary. The final offers of the parties are attached as Appendix "A" and "B".

STATUTORY CRITERIA:

Since no voluntary impasse procedure regarding the above-identified impasse was agreed upon between the parties, the undersigned, under the Municipal Employment Relations Act, is required to choose the entire final offer on the unresolved issues of one of the parties after giving consideration to the criteria identified in Section 111.70(4)(cm)7, Wis. Stats.

POSITIONS OF THE PARTIES:

Both parties agree the districts which comprise the Dairyland Conference should constitute the comparables, although the Association challenges the data submitted by the District in regard to these comparables asserting the information given is incomplete. In addition, the Association proposes a second set of comparables which consists of districts of similar size within the geographic area encompassed by the districts which comprise the Dairyland Conference. The District urges rejection of the second set of comparables arguing that the conference districts have been regularly accepted as the comparison group for the area and that with seven of the twelve conference districts settled, there is sufficient information available to determine the reasonableness of the final offers. In addition, the District declares the second set of comparables have no "natural connection or association" to this District or other schools within the conference and as such lack enough similarities to make them comparable.

The Association's Position: Stating there are four aspects of the salary

offer to consider, BA Base, the educational lane increment, the number of vertical steps and the "lift" at Steps 4, 8 and 12 of each lane, the Association posits its offer is "premised on maintaining traditions" in these areas while the Employer's offer would not only change the schedule structure but reverse the traditions established by the parties in previous negotiations. Declaring in has been the parties' practice to improve the BA Base to the point where it now exceeds the conference average, the Association argues its offer will continue this progress while the District's offer will cause it to again trail the conference average. The Association adds its offer is also more reasonable at the BA Base since it more closely maintains its previous position among the settled comparables and more closely approximates the dollar and percent increases granted in the settled districts while the low BA base increase proposed by the District will not only affect rank but the dollar and percent improvement at all benchmarks positions. It adds that a similar comparison with the secondary set of comparables it proposes demonstrates the same effect.

In regard to the educational lane increment, the Association states its proposal increases the increment while the Board has reduced them to the level maintained in 1983-84. Stating the reduced lane increment, unsupported by the comparables, will also reduce the vertical step increment because that increment is indexed at a percentage of the column base, the Association charges the District's proposal "will cause enough wage loss to more than offset any cost to the Board for its additional 13th step on the MA columns." The Association continues that it believes "salary schedule increment reductions as proposed by the Board are a matter for voluntary settlement...." Continuing, the Association declares its offer which provides a spread between the BA and MA columns more similar to the average spread established by the settlement among the comparables is more reasonable since not only is it closer to the settlement pattern but it is moderate because it "trails other settlements by a significant amount." Again comparing its offer to the settlements reached in its secondary set of comparables, the Association concludes its offer is also supported by these comparables.

The Association urges rejection of the District proposal to add a 13th Step at the Masters columns which is limited only to Masters degree teachers, stating not only does additional vertical steps run contrary to the structural change voluntarily agreed upon last year, but the limitation imposed by the District runs contrary to the position it has maintained in the past where graduate equivalent teachers received masters column compensation. In addition, the Association declares the structural change is not supported among the comparable schools.

At Step 12 of the schedule, the Association proposes an additional "lift" while the District's position maintains the status quo. The Association posits the "lift" is needed in order to improve the schedule in a manner which benefits those at the top of the schedule and otherwise maintain a schedule competitive with those among the comparables.

Reviewing the remaining statutory criteria as it applies to the matter in dispute, the Association declares its offer meets the public's interest by maintaining a schedule which will not cause it "to play catch-up in later years." It adds, the District's position regarding the economic well-being of the community is misplaced since the District will receive additional state aids and has the second lowest 1985-86 net levy rate. In regard to the cost of living criterion, the Association maintains the District's CPI data should be rejected since it applied to a national figure and there is no local data available to make similar comparisons. Adding that if settlement patterns are considered as an appropriate measurement, the Association posits the settlement pattern supports its final offer. The Association also declares the overall compensation criterion supports its position since many other conference schools have a higher wage rate, more insurance benefits and higher insurance premiums than this District does.

The District's Position: Explaining its proposed schedule follows the same pattern as that which has existed in previous schedules with the exception of the addition of a 13th step in the Masters columns which is available only to Masters degree teachers, the District posits its offer at a total package cost of 7.67% is more reasonable than the Association's at 9.78% due to the economic conditions which are affecting the District, the region and the nation. Citing an increase in tax delinquencies from 1984 to 1985, a comparison of unemployment statistics among Trempealeau, Buffalo and Jackson Counties with the state average, the degree of poverty which exists within the

District and the rise in the Consumer Price Index, the District concludes the data indicates its economy is not doing well and that pay increases, reliant upon funding from taxation, should not significantly exceed the rise in the cost-of-living as exemplified by the CPI.

In addition, the District posits that the well-being of the agricultural community also does not justify an increase in tax burden. Stating that farm economic conditions have worsened in 1985 and that the District is heavily reliant upon agriculture land as its tax base, the District argues that now is not the time to provide wage increases which will increase the rural tax burden. Continuing that the "most important single factor to the school boards in struggling communities, to the taxpayers, land-owners and wage earners who support the system is the amount of increase on the budget," the District argues the reasonableness of the offers must be measured by their relationship to the rise in the cost of living.

Continuing that it believes total package comparisons are the most expressive means of determining the reasonableness of the offers, the District states a benchmark comparison of the increases to the average established by the settled districts is also a method of determining the reasonableness of the offers. Making this comparison, it concludes its offer is again the more reasonable since it is closer to the conference average at the benchmarks than is the Association's.

Adding that it does not propose the 13th Step in the Masters columns as "any major alteration," the District posits the proposal improves the two highest benchmarks and is a way of recognizing its Masters degree teachers and providing incentive for others to follow. Further, it argues that no other comparable district compensations for non-degree track credits beyond the BA+30.

In conclusion, the District cites speeches given by the state's governor and declares he has directed districts to hold budget increases to 7.3% or face levy limits and cost controls. Further, it declares its offer is an effort to follow this direction.

#### DISCUSSION:

Since both parties agree that the Dairyland Conference comprises the appropriate set of comparables and since seven of the eleven districts are settled, there is no need to look beyond these districts in order to establish comparability. When comparisons are made, however, only data relating to the settled districts were used. Consequently, the following districts comprise the comparables in this matter: Alma, Alma Center, August, Cochrane Fountain City, Gilmantown, Osseo and Taylor. Secondary comparables, which meet criteria generally used to establish comparability, should be used only in the event there is insufficient information available concerning agreed upon comparables.

The only issue in dispute between the parties is that of the salary schedule. The Association is proposing an increase in the BA Base, an increase in horizontal increments and an increase in the "lift" which currently exists at Step 12 of the schedule. The District, on the other hand is proposing an increase in the BA Base, a decrease in the horizontal increments, an increase in the vertical increment by the addition of a Step 13 in the masters columns, limited only to masters degree teachers, and no increase in the "lifts" which currently exist. Both proposals have an impact upon the salary schedule structure to the extent that they propose changes in the horizontal increments. An additional change occurs under the District's proposal since it seeks to add a 13th step in the masters columns and seeks to limit access to that step by restricting it to masters degree teachers only.

A comparison of the salary proposals with the increases granted among the settled districts indicates the Association's proposal is more reasonable. In 1984-85, the District's benchmarks exceeded the average established by the 1985-86 settled districts. Under the parties' proposals for 1985-86, the Association's offer more closely approximates the position the District maintained in 1984-85 even though it results in a slight movement downward from its previous position, while the District's offer results in a much greater deterioration of position. Although the District has argued it more closely approximates the average at most benchmarks, which is true, the question of comparability is not only how close one comes to the average but how one maintains position relative to the position it has previously held. As is

noted below, not only does the Association's offer more closely approximate its previous position, not only in dollars but in percentage variance from the average. The District's offer, on the other hand, not only represents a deterioration in position from the previous year but shows significant deterioration in salary position for teachers located at the BA Maximum and for those located in the masters columns, both a result of the District's proposal to decrease the horizontal increments and to limit access to a 13th Step to a select group of teachers within the masters columns. Further, when rank is considered, implementation of the District's offer would result in a downward change in position in all benchmark positions except the MA/Step 10 position. The results of this analysis is likely to show an even greater deterioration, particularly at the MA Maximum and Schedule Maximum positions, when the offers are compared to all of the conference districts since the District ranked near the bottom of the comparables in these positions in 1984-85. The Association's offer, on the other hand, while providing similar increases granted by the settled districts, does not significantly change rank.

	Minimum	Step 7	Maximum	Minimum	Step 10	Maximum	Maximum
1984 Average	14,297	17,147	18,911	15,477	20,077	22,547	23,321
District	14,560	18,020	21,020	15,782	21,445	22,759	23,573
Difference	+ 263	+ 873	+2,109	+ 305	+1,368	+ 212	+ 252
Percentage	+ 1.8	+ 5.1	+ 11.2	+ 2.0	+ 6.8	+ 0.9	+ 1.1
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1985 Average	15,295	18,436	20,554	16,599	21,677	24,456	25,254
District Offer	15,200	18,948	22,188	16,375	22,470	23,880*	24,672*
Difference	- 95	+ 512	+1,634	- 224	+ 793	- 576	- 582
Percentage	- 0.6	+ 2.8	+ 7.9	- 1.3	+ 3.7	- 2.4	- 2.3
Assn. Offer	15,515	19,339	22,742	16,815	23,068	14,614	15,478
Difference	+ 220	+ 903	+2,188	+ 216	+1,391	+ 158	+ 224
Percentage	+ 1.4	+ 4.9	+ 10.6	+ 1.3	+ 6.4	+ 0.6	+ 0.9

\*The salaries used for comparison at the maximum are those which would benefit all teachers within the District and do not include the District's Step 13 proposal since it applies to a limited number of teachers within the District.

Although the District proposes a Step 13 at the masters columns and argues the increase will improve its relationship to the comparables average, the actual potential for realizing an increase is extremely limited under the Districts' proposal since the 13th Step is limited to masters degree teachers only while the remainder of the masters columns wage increases have been available to non-degree equivalent credit teachers. Although the District is correct in its statement that it extends more compensation to non-degree equivalent credit teachers than the comparables do, this fact, in itself, is not justification for providing an additional Step limited to degree teachers only since the agreed upon practice was reached voluntarily between the parties. If there is to be a change in this practice, it is better accomplished through voluntary agreement than through arbitration since the practice represents the status quo and the District has not demonstrated need for change.

In regard to schedule structure changes, it is determined the Association's offer is more reasonable. The Association's proposal to increase the horizontal increments is supported by the comparables. A review of the increments paid in other districts compared to the increments sought by the Association indicates the increment increase sought is not unreasonable and that increment increases are not uncommon. Among the settled districts, only two districts have modified their horizontal increments so that a decrease in

increments has occurred in certain areas. Further, even when the decrease in increments occurred, only one of the two changes resulted in narrowing the dollar increase between the BA Base and the MA Base.

When the spread between the BA Base and the MA Base is considered, it is noted that both offers provide a spread in the salary increases similar to some of the districts among those settled. The Association's offer, however, more closely approximates the average and the mean increase among the seven districts. Further, in at least five of the comparable districts the spread between the BA Base and the MA Base increased in size, while one remained the same and the other was narrowed. Given these comparison, together with the fact that the size of the horizontal increments sought by the Association are not unreasonable, it is cannot be concluded that a reduction in the horizontal increments is reasonable.

On the other hand, the District's position regarding the lift at Step 12 is more reasonable since it represents the status quo and the Association has not demonstrated need for change. This change proposed by the Association is not considered detrimental to its offer, however, since the overall impact of the proposal still results in a moderate increase when maximums are compared.

Since it has been determined the Association's proposal, overall, is more reasonable, the other criteria must be considered in determining whether or not the Association's offer should prevail. The District argued both the cost of living criterion relative to total package compensation and the interest and welfare of the public criterion were reason to find in favor of its offer.

An analysis of the cost-of-living data indicates the District's offer is supported by the rise in the Consumer Price Index relative to total package compensation. Both parties' offers exceed the rise in the cost-of-living when compared to any index calculated under the CPI, thus, it is determined both offers are reasonable when compared to the cost-of-living criterion as represented by the CPI.

In addition to determining the reasonableness of offers as they relate to the cost-of-living criterion measured by the CPI, arbitrators, including this one, have frequently looked to the settlement pattern within an area to determine which offer is more reasonable when both exceed the CPI data. In this instance, total package percentages for the settled districts were not provided. It is noted, however, that the Association's offer is more similar to the increases granted at the benchmarks, thus, even though actual package costs are not available for the comparable district settlements, it is concluded the Association's offer is not excessive when compared to the benchmark increases granted among the settled districts, thus, less weight is assigned to the cost-of-living criterion in determining the reasonableness of the offers.

Much of the District's argument in support of its offer centered on the interest and welfare of the public criterion. As such, the District argued the economic conditions within the area support its offer and cited tax delinquencies, unemployment statistics, the degree of poverty which exists within the area and the economic well-being of the agricultural community as justification for not increasing the tax burden. Initially, it must be stated that no evidence was provided which indicated the tax burden would increase no matter which offer was implemented. Increase, however, is not the sole criteria in determining the reasonableness of offers, if it is demonstrated that the economic well-being of the taxpayers is better served by maintaining the status quo or by decreasing the tax burden already incurred. Certainly difficult financial times for taxpayers can be cause for implementing wage increases which are less than comparable. In order for less weight to be assigned to comparability, however, it must be determined that the particular district is less financially able than the comparables to support wage increases which are comparable.

After reviewing the economic data submitted, it is determined the financial condition of this District is not unique when compared to those districts which have been established as comparable. Although this District is experiencing some financial stress because some of its taxpayers are farmers and because unemployment appears to have increased in the area, there is no indication that the District's economic status is any different that that among the comparable districts. While the District has submitted evidence showing there has been an increase in tax delinquencies, the data provided is not


sufficient to conclude that the county within which this District lies is in any worse financial condition than the counties within which the other districts lie or to conclude the increase will have any greater impact upon this District than it does upon the other settled district within this county. The District did provide evidence regarding an increase in unemployment within the County. When the average for January through April of 1985 is compared to the average for the same months in 1986, it is concluded the unemployment rate is higher than the previous year. While higher unemployment could indicate the District is under greater financial stress than other districts, it is noted that the average for the four months in 1986 is not significantly different for the three counties in which the settled comparables lie. Consequently, the unemployment data is no more persuasive than any of the other financial data. Finally, when the poverty level for the District is considered, it is concluded this District is more financially able to provide wage increases than are some of the settled comparable districts. Among the eight districts, this District has the lowest percentage of families with incomes below the poverty level and the second highest median household income. Further, although the cost of education is high in the District there is less tax burden imposed upon the taxpayers of the District since the District's levy rate is the lowest among the settled comparables even though its equalized value is not as high as two of the settled districts. Based upon this information, it cannot be concluded the economic well-being of the District is cause for implementation of a wage offer which not only causes structural changes but results in a deterioration of position among the settled comparables.

Having found the Association's offer is more reasonable based upon the comparables and that neither the cost-of-living criterion nor the interest of and welfare of the public criterion carries greater weight in determining the reasonableness of the offers, it is concluded the Association's offer should be implemented. The following award is based upon review of the evidence and arguments presented and upon the relevancy of the data to the statutory criteria as stated in the above discussion.

AWARD

The final offer of the Association, attached as Appendix "A", together with the stipulations of the parties which reflect prior agreements in bargaining, as well as those provisions of the predecessor agreement which remained unchanged during the course of bargaining, shall be incorporated into the 1985-86 collective bargaining agreement as required by statute.

Dated this 26th day of September, 1986 at La Crosse, Wisconsin.

  
Sharon K. Imes  
Mediator/Arbitrator

SKI:ms

APPENDIX "A"

OFFICE OF THE  
MUNICIPAL EMPLOYMENT RELATIONS COMMISSION

MAR 07 1986

Name of Case: Whitehall School District  
Case 13 No. 36083 Med/Arb-3671

The following, or the attachment hereto, constitutes our final offer for the purposes of mediation-arbitration pursuant to Section 111.70(4)(cm)6. of the Municipal Employment Relations Act. A copy of such final offer has been submitted to the other party involved in this proceeding, and the undersigned has received a copy of the final offer of the other party. Each page of the attachment hereto has been initialed by me.

3/5/86  
(Date)

Stuart L Dodge  
(Representative)

On Behalf of: Whitehall Teachers Association

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MAR 07 1936

FILED IN THE OFFICE OF THE  
CLERK OF THE DISTRICT COURT

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PROPOSED  
SCHEDULE  
DATE----  
30586  
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Steps	BA	+6	+12	+18	+24	+30/MA	+36/+6	+42/+12
1	15515	15765	16015	16265	16515	16815	17115	17415
2	16136	16396	16656	16916	17176	17488	17800	18112
3	16756	17026	17296	17566	17836	18160	18484	18808
4	17477	17757	18037	18317	18597	18933	19269	19605
5	18097	18387	18677	18967	19257	19605	19953	20301
6	18718	19018	19318	19618	19918	20278	20638	20998
7	19339	19649	19959	20269	20579	20951	21323	21695
8	20059	20379	20699	21019	21339	21723	22107	22491
9	20680	21010	21340	21670	22000	22396	22792	23188
10	21300	21640	21980	22320	22660	23068	23476	23884
11	21921	22271	22621	22971	23321	23741	24161	24581
12	22742	23102	23462	23822	24182	24614	25046	25478



APPENDIX "B"

RECEIVED

MAR 07 1986

Name of Case: Whitehall School District WISCONSIN EMPLOYMENT  
RELATIONS COMMISSION  
Case 13 No. 36083 Med/ARB -3671

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3/5/86  
(Date)

William J. Gold  
(Representative)

On Behalf of: Whitehall Board of Education

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608 - 611 - 626 - 635 - 647 - 655 - 666 677

STEP	B.S.	B.S.+6	B.S.+12	B.S.+18	B.S.+24	MASTER B.S.+30	M.A.+6 B.S.+36	M.A.+12 B.S.+42
0								
1	15,200	15,425	15,650	15,875	16,100	16,375	16,650	16,925
2	15,808	16,042	16,276	16,510	16,744	17,030	17,316	17,602
3	16,416	16,659	16,902	17,145	17,388	17,685	17,982	18,279
4	17,124	17,376	17,628	17,880	18,132	18,440	18,748	19,056
5	17,732	17,993	18,254	18,515	18,776	19,095	19,414	19,733
6	18,340	18,610	18,880	19,150	19,420	19,750	20,080	20,410
7	18,948	19,227	19,506	19,785	20,064	20,405	20,746	21,087
8	19,656	19,944	20,232	20,520	20,808	21,160	21,512	21,864
9	20,264	20,561	20,858	21,155	21,452	21,815	22,178	22,541
10	20,872	21,178	21,484	21,790	22,096	22,470	22,844	23,218
11	21,480	21,795	22,110	22,425	22,740	23,125	23,510	23,895
12	22,188	22,512	22,836	23,160	23,484	23,880	24,276	24,672

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Am. to 10 ml.

21,525 21,610 21,695