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WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

**STATE OF WISCONSIN
BEFORE THE ARBITRATOR**

In the Matter of the Petition of

VERONA AREA
EDUCATION ASSOCIATION

To Initiate Mediation-Arbitration
Between Said Petitioner and

VERONA AREA
SCHOOL DISTRICT

Case 7
No 35947
MED/ARB-3616
Decision No. 23655-A

APPEARANCES:

Mallory D. Keener on behalf of the Association
John T. Coughlin, Esq. on behalf of the District

On May 28, 1986 the Wisconsin Employment Relations Commission appointed the undersigned Mediator-Arbitrator pursuant to Section 111.70(4)(cm) 6b. of the Municipal Employment Relations Act in the dispute existing between the above named parties. Pursuant to statutory responsibilities the undersigned conducted a public hearing and mediation session on August 18, 1986 which did not result in resolution of the dispute. The matter was thereafter presented to the undersigned in an arbitration hearing conducted on August 19, 1986 for final and binding determination. Post hearing exhibits and briefs were filed by the parties which were exchanged by December 4, 1986. Based upon a review of the foregoing record, and utilizing the criteria set forth in Section 111.70(4)(cm) Wis Stats, the undersigned renders the following arbitration award.

ISSUES:

The Board proposes a one year agreement for the 1985-86 school year. The Association proposes a two year agreement covering the 1985-87 school years on language issues, with an economic reopener on the following issues for 1986-87: salaries, extracurricular and extra duties pay, positions related to extracurricular and extra duties, credit reimbursements, pay for extra classes, well pay, severance pay, mileage allowance, enrollment impact

The Association proposes one day of personal leave per year (out of a currently available pool of five days) not subject to administrative approval if certain notice conditions are met. Such leave would be non cumulative and would be deducted from sick leave. It also could not be used to extend a holiday or vacation period. The District proposes no change in the current contract language on personal leave, which subjects such leave to administrative approval.

The Association proposes a base salary of \$15,000, seven lanes with a maximum of sixteen steps on the MS+24 or BS+66 lane, experience increments of 4% of the base of each lane reflected as a dollar amount, lane differentials equal to 4% of the previous lane base, except for the BS+24 to the MA or BS+30 lane which is 2% of the base of the previous lane. The value of the Association's salary proposal is about 9% or \$1828 per teacher, and the total package increase is about 9.1% or \$2481 per teacher

The Board proposes a base salary of \$15,250 with the same number of lanes and steps as proposed by the Association. However, the District proposes different lane differentials and experience increments expressed in dollar amounts. The value of the Board's proposed salary increase is about 8.4% or \$1699 per teacher. The value of its total package increase is about 8.5% or \$2328 per teacher

The parties' proposed salary schedules are attached hereto as an appendix.

The parties agree that the districts in the Capitol Athletic Conference constitute the appropriate comparables to utilize in this proceeding.

ASSOCIATION POSITION.

The Association's proposal for a two year agreement on language items perpetuates the parties' practice of bargaining multi-year contracts on language issues with limited reopeners on monetary items.

In addition, if language issues are resolved for 1986-87 the parties would have more time to devote to developing a workable restructuring of the teachers' salary schedule.

Because of the timing of this proceeding, a one year agreement for the 1985-86 school year would result in a situation where the parties would have to bargain a completely new agreement for 1986-87, which will likely result in continued bargaining into the 1987-88 school year.

Further support for the Association's position in this regard can be found among the District's comparables. Among seven comparable school districts, four are either parties to or are coming out of multi-year agreements

Regarding the Association's personal leave proposal, the current system sometimes does not allow teachers to take leave for reasons not covered by

the Agreement or to take leave for highly confidential reasons. In this regard three comparable districts afford their teachers more than one day of personal leave not subject to administrative approval.

To minimize cost to the District the proposal contemplates the deduction of such used leave from the amount of sick leave already provided to the District's teachers

The Association's salary proposal follows the schedule structure previously agreed to between the parties. After agreeing in 1982-83 to a consent award which altered the structure of the District's salary schedule from what the parties have come to refer to as a "4 x 4" structure, discontent among the teachers was so pronounced that the parties returned in the next agreement to the 4 x 4 structure.

Negotiations over the structure was complicated by the addition in 1983-84 of two contract days to a 189 day calendar. In a compromise settlement the parties negotiated a 187 day, 4 x 4 schedule and added a flat dollar amount per day for two additional days of inservice.

Both parties have proposed a salary schedule for 1985-86 based upon a 189 day school year.

The Board's proposed schedule will result in certain inequities: one being the reduction in the ratio of entry level salaries to schedule maximums.

Until the parties are able to voluntarily agree to a revision in the structure of the salary schedule, the agreed to structure should stay in place. Although several comparable districts have negotiated structural changes in their salary schedules, all did so by voluntary agreement. Such changes should be based upon voluntary agreement, and most emphatically, they should not be awarded when the parties have not had a full opportunity to negotiate a specific new structure or format, as is the case herein.

What the District is attempting to do here is to place exaggerated importance on raising entry level salaries at a rate disproportionate to salaries of veteran teachers. However, there is no evidence that the District has had any difficulty hiring new teachers, nor is there proof of any other compelling need for such disproportionate raises. In this regard, the Board's claim that the Association's proposed raises for veteran teachers are extravagant is simply not accurate since the District's relative ranking among comparables at the schedule maximum would remain unchanged under the Association's proposal. Moreover, the District's proposal puts the most money where the fewest teachers can take advantage of it. In view of these facts, greater weight should be given to a comparison of increases among comparable districts.

In this regard the record indicates that the Board's proposal is not up to the Conference standard, based upon both dollar and percent increases.

During the course of this proceeding the Board has never suggested that it did not have the ability to meet the costs of the Association's proposed settlement. Furthermore, the record evidence does not distinguish the District from its neighbors in this regard. In fact, the District's cost per member and levy rate are below the Conference average, while it has the second highest evaluation per member. The District also has the highest per capita income of any comparable district. Relatedly, agricultural economy arguments do not hold water in the District, since only 4.3% of the District's

taxpayers are engaged in agriculture as a livelihood. This is even low by comparison to other comparable districts which average 9.6% in agricultural employment. In a farm state, 35% of the full value of real estate within the District in agricultural land is not overwhelming.

BOARD POSITION.

Both of the parties' salary schedule proposals constitute a change in the status quo as to the structure of the schedule. In this regard the Association for the first time, has applied a 4 x 4 concept to a 189 day school year.

The Board's salary proposal provides a more competitive starting salary for new teachers, while at the same time it provides equity to veteran teachers by establishing a longevity payment (5% of BA base or \$750+) for teachers currently frozen at the schedule maximums of MS+24 or BS+66, Step 15. This longevity payment is quite significant since 15 teachers would be entitled to it. Under the Board's offer these teachers would receive approximately a fair 8% increase, while under the Association's proposal, they would receive almost a 9.9% salary increase, which is excessive under the circumstances present herein. In this regard the Board's offer addresses a concern oft repeated by the Association relative to the relatively low starting salary and salaries of recently hired teachers in the District while the Association's offer would result in continued decline in the District's starting salaries in relationship to the District's comparables.

With regard to the District's ranking at the maximums, the Board's offer will result in the same ranking as the Association's at two of three benchmarks, while at one benchmark the Association's proposal will result in an improved ranking for the District, although no justification has been presented why such improvement is needed.

When looking at comparable settlements, McFarland should not be considered because of the substantial cost it incurred in restructuring its salary schedule. If the McFarland settlement is not considered, the Association's proposal would result in increases substantially above the settlement pattern. On the other hand, the Board's offer, while providing increases above the settlement pattern, also adjusts starting salaries and provides for longevity at the schedule maximum.

Furthermore, the District's fringe benefits viewed in their totality, exceed the average for the Capitol Conference.

With respect to the Association's proposed change in personal leave availability, there is no comparability support for the Association's proposal. In fact, the record indicates that the District's teachers receive many more personal leave days than do teachers in comparable districts.

In addition, and quite importantly, the Association's proposal is completely devoid of any mechanism to ensure that excessive numbers of teachers are not absent on the same day. Moreover, in comparable districts which provide such a benefit, the number of teachers that can exercise such an option on any given day is restricted.

In addition, the Association has not established a compelling need to include such a provision in the collective bargaining agreement. Absent some evidentiary showing of necessity or compelling need, none should be inferred.

The Board's offer is also more responsive to the interests and welfare of the public than is the Association's since it provides a reasonable and significant wage increase to the teaching staff without causing an excessive burden on the District's taxpayers. In contrast, the Association's offer is insensitive to the serious economic problems faced by the District's taxpayers.

In this regard the faltering farm economy is a significant factor in the District's local economy since more than 35% of the full value of total real estate in the District is agricultural.

Also significant is the fact that the Board's offer guarantees the teaching staff increases that significantly exceed the cost of living. In this regard the Association's proposal is also excessive.

The Board's offer also provides the teachers with more than equitable wage increases in relation to the wage increases received by other municipal and private sector employees in the area.

The Board's one year contract is also more reasonable than the Association's. In this regard although four comparable districts have two year labor agreements, two of the four have either no reopener, or a limited salary only reopener. Only one has a reopener solely on a multitude of strictly economic teacher-biased issues. Given that the Association's proposed reopener includes an extensive list of items which are totally economic in nature and exclusively of monetary advantage to the teachers, there is virtually nothing in the reopener that is of potential benefit to the Board. Thus, only the District, under the Association's proposal, would be exposed to a contract reopener on a multitude of strictly teacher-biased monetary issues in 1986-87 thereby depriving the District of the opportunity to pursue legitimate interests at the bargaining table.

Furthermore, four comparable districts will be bargaining full contracts for the 1986-87 school year.

DISCUSSION:

The undersigned will utilize all of the settled districts in the Athletic Conference, including McFarland, as comparables in this proceeding. There appears to be no persuasive reason to exclude McFarland, even though its 85-86 settlement appears to be relatively more generous than other comparable districts, since no other factors which are traditionally utilized to ascertain comparability significantly distinguish McFarland from Verona.

On the salary issue, although benchmark comparisons have more limited utility in situations where salary schedules have been restructured so that years of teaching experience do not necessarily correlate with placement on

<u>RA Base</u>			
84-85	85-86	Increase	
		\$	%
Comparable average			
14007	15202	1195	8.5
District			
14115	B15250	1135	8.0
	A15000	885	6.3
+/ - Average			
+108	B+48	-60	-5
	A-202	-310	-2.2
Rank among 8			
4	B4		
	A5		

<u>RA Maximum</u>			
84-85	85-86	Increase	
		\$	%
Comparable Average			
20054	21449	1395	7.0
District			
18555	B19714	1159	6.3
	A19800	1245	6.7
+/ - Average			
-1499	B-1735	-236	-7
	A-1649	-150	-3
Rank among 8			
7	B7		
	A7		

MA Base

	84-85	85-86	Increase	
			\$	%
Comparable Average	15831	16998	1167	7.3
District				
	16161	B17471	1310	8.1
		A17210	1049	6.5
+/- Average				
	-330	B+473	+143	+8
		A-212	-118	-8
Rank among 8				
	4	B 3		
		A 5		

MA Maximum

	84-85	85-86	Increase	
			\$	%
Comparable average	24511	26152	1641	6.7
District				
	23805	B25121	1346	5.7
		A25466	1661	7.0
+/- Average				
	-706	B-1031	-295	-1.0
		A-686	+20	+3
Rank among 8				
	5	B 7		
		A 6		

Schedule Maximum

	84-85	85-86 (w/long.)		Increase	
				\$	%
Comparable Average	26095	27811	28483	1716	6.6
District					
	27796	B29251	30014	1455	5.2
		A29790	30540	1094	7.2
Average					
	-1710	B-1440	+1531	-261	-1.4
		A-1079	+2057	+278	+6
Rank among 9					
	2	B 2	3		
		A 2	3		

The foregoing indicates that at the BA base, the Board's proposal is significantly more in line with comparable settlements than is the Association's. At the BA maximum, the Association's proposal is the more comparable of the two. At the MA base, the Association's proposal is only slightly more comparable than the Board's. At the MA maximum, the Association's proposal is clearly the more comparable of the two. And lastly, at the Schedule maximum, the parties' proposals are relatively equi-distant (the Association's above and the District's below) the comparable average.

Thus, based upon the foregoing benchmark comparisons, it would appear that the Association's salary schedule proposal is somewhat more comparable than the District's. However, because of the increasingly limited utility of a benchmark analysis, the undersigned will also attempt to compare the parties' offers with the average salary and total package increases which have been implemented in settled comparable districts. Although the evidence in this regard was not completely consistent, the undersigned believes it was sufficiently close to allow for the following approximate computations.

Average Comparable Salary Increase

\$	%
1735	8.2

Average Comparable Total Package Increase

\$	%
2343	8.7

A comparison of these settlement figures with the proposals of the parties indicates that the Board's proposal is slightly more in line with the settlement pattern than is the Association's.

Thus, based upon all of the foregoing comparisons, it would appear that neither party's salary proposal is significantly more comparable than the other's.

In light of the foregoing conclusion, the parties' salary offers must be viewed in the context of other statutory criteria such as cost of living and settlements in other public and private sectors of the economy. In the undersigned's opinion, when such factors as the the relevant rate of inflation and the level of settlements of other public and private sector employees are factored into the decision which must be made herein, the Board's proposal, which is generally more in line with comparable settlement trends, merits implementation

In this regard, although the undersigned would prefer adjustments in the structure of salary schedules to be negotiated rather than awarded through the arbitration process, here, some structural changes are being proposed by both parties, so the undersigned has no choice but to impose some changes on the structure of the schedule.

Additionally, the record indicates that the parties have changed the structure of their schedule on several occasions in the recent past, and there therefore does not appear to be a long established and accepted schedule structure which is being changed herein.

With respect to the duration issue, although the undersigned normally would prefer multi-year agreements because of the stabilizing influence they tend to have on parties' relationships, where, as here, a multi-year proposal includes a plethora of issues which can be negotiated during a proposed reopener, little if anything can be gained in terms of the parties' relationship, unless of course the parties voluntarily agree to such an arrangement. Absent such voluntary agreement, limited reopeners generally work to the advantage of one party and do not provide for the equitable give and take that the negotiations process normally contemplates. Therefore, under the circumstances present herein, the Board's duration proposal is deemed to be the more reasonable of the two

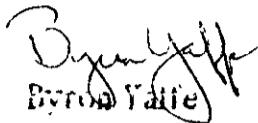
With respect to the personal leave issue, the record does not demonstrate a compelling need to change the proviso currently in effect, either on the basis of comparability or on the basis of serious, legitimate problems which exist under the current system. Further support for the status quo can be found in the fact that the Association's proposal does not provide for limits on simultaneous usage of the benefit by large numbers of teachers, thus providing a potential for serious disruption of the District's educational program. Based upon all of these considerations, the undersigned deems the Board's position on this issue to be the more reasonable of the two at issue herein.

Based upon all of the foregoing considerations, the undersigned deems the Board's total package final offer to be more reasonable than the Association's, and accordingly, the undersigned hereby renders the following:

ARBITRATION AWARD

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

Dated this 6th day of January, 1987 at Madison, Wisconsin


Byron Yaffe
Arbitrator