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WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

BEFORE THE MEDIATOR/ARBITRATOR

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In the Matter of the Petition of :
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MAYVILLE SCHOOL DISTRICT : Case No. 16
: No. 37347 Med/Arb-3995
To Initiate Mediation-Arbitration : Decision No. 24039-A
Between Said Petitioner and :
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MAYVILLE EDUCATION ASSOCIATION :
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APPEARANCES: WILLIAM G. BRACKEN, Director of Employee Relations, Wisconsin Association of School Boards, Inc., appearing on behalf of the District.

ARMIN BLAUFUSS, UniServ Director, WinnebagoLand UniServ Unit-South, appearing on behalf of the Association.

ARBITRATION AWARD

Mayville School District, hereinafter referred to as the District or Board, and Mayville Education Association, hereinafter referred to as the Association or Union, were unable to voluntarily resolve the remaining issues in dispute during their negotiations over the terms to be included in their new, 1986-1987 collective bargaining agreement, to replace their expired, 1985-1986 collective bargaining agreement. On July 29, 1986, the District filed a petition with the Wisconsin Employment Relations Commission (WERC) for the purpose of initiating mediation/arbitration pursuant to the provisions of Section 111.70(4)(cm)6. of the Wisconsin Statutes. The

WERC investigated the dispute and, upon determining that there was an impasse which could not be resolved through mediation, certified the matter to mediation/arbitration by order dated October 23, 1986. The parties selected the undersigned from a panel of mediator/arbitrators submitted to them by the WERC and the WERC issued an order, dated November 10, 1986, appointing the undersigned as mediator/arbitrator. A meeting was scheduled for February 5, 1987, for the purpose of endeavoring to mediate the dispute and, in the event mediation did not resolve the dispute, to hold an arbitration hearing in the matter. At the outset of the meeting, the undersigned endeavored to mediate the dispute, without success. Neither party indicated a desire to withdraw its final offer and an arbitration hearing was held pursuant to the prior agreement between the parties. Post-hearing briefs were filed and exchanged on March 14, 1987. Full consideration has been given to the evidence and arguments presented in rendering the award which follows.

ISSUES IN DISPUTE

During their bilateral negotiations and mediation, the parties agreed to a number of matters which were incorporated into a stipulation. However, they were unable to resolve three issues in dispute: salary (including longevity) for 1986-1987; the general level of increases to be granted in the case of extracurricular and extra duty pay; and the question of whether or not

Association's proposed health insurance "option plan," establishing a tax sheltered annuity, should be incorporated into the agreement.

Salary Schedule and Longevity

Neither party proposes to make any structural changes in the salary schedule, as it existed during the 1985-1986 school year. However, the Association does propose to increase the amount of the longevity payment, from \$200.00 to \$300.00, for persons who have reached the 13th step on any column and are not scheduled to receive an increment. The 1985-1986 salary schedule is attached hereto and marked Appendix A.

In its final offer, the Board proposes to increase the BA base by \$625.00. This increase will generate increases at the various steps ranging from a low of \$625.00 to a high of \$1,151.00 at the schedule maximum. The increase at each step amounts to approximately 3.7%. When the value of step increases is taken into account, based upon a "cast forward" analysis, the average teacher will receive an increase of \$1,241.00, or 5.0%. Using the same procedure for analysis, the total cost per returning teacher, including the increased cost of extracurricular pay, fringe benefits and roll-up costs, is \$1,662.00 or 5.1%. Based upon the 1985-1986 cost data submitted at the hearing, the District's total costs for salaries and fringe benefits will increase by approximately

\$117,000.00, above the 1985-1986 cost of approximately \$2,304,000. Appendix B reflects the impact of the Board's proposal on Art. VI §A.

Under the Association's final offer, the BA base salary would be increased by \$1,090.00. This would generate increases at the various steps of the schedule ranging from a low of \$1,090.00 to a high of \$2,000.00 at the schedule maximum. In effect, each "cell" of the salary schedule would be increased by approximately 6.5%. When the value of step increases is taken into account, utilizing the cast forward method of analysis, and including the value of the \$100.00 increase in longevity pay, the average teacher will receive an increase of \$1,995.00 or 8.0%, under the Association's offer. The total cost of the Association's final offer, per returning teacher, would be \$2,591.00 or 7.9%. In terms of its impact on the total cost of wages and fringe benefits, the Association's final offer would cost approximately \$65,000.00 more than the District's offer, or \$182,000.00 more than the cost of salary and fringe benefits during the 1985-1986 school year. The Association's proposed salary schedule is attached hereto and marked Appendix C.

Extracurricular and Extra Duty Pay

The 1985-1986 collective bargaining agreement contains an extracurricular salary schedule, based upon a salary base figure of \$324.00. In addition, it contains a provision providing

for extra duty assignment pay of \$6.75 per hour and dollar amounts in the case of student council advisors. The parties have agreed to certain modifications in the identity and level of pay for certain extracurricular assignments. Neither party has proposed any other changes in the extracurricular area. Both parties have proposed to add camp director to the extra duty assignments at a specific dollar amount.

The Board offers to increase the base rate for extracurricular pay by 4%, or approximately \$13.00. That increase would generate similar percentage increases throughout the agreed to schedule. Similarly, the Board's final offer would increase the hourly rate for extra duty by 4%, or 27¢, from \$6.75 per hour to \$7.02 per hour. The dollar rates for student council advisor would be adjusted by 4% as well. The salary level for camp director would be the same as it was during the 1985-1986 school year, plus an increase of 4%.

Under the Association's final offer, the salary base for the extracurricular salary schedule would be adjusted by a dollar amount, from \$324.00 to \$345.00, or approximately 6.5%. All other steps in the schedule would be adjusted accordingly and would therefore be adjusted by similar percentage increases. The Association would increase the hourly rate for extra duty assignments by 45¢ per hour, to \$7.20 per hour, which is approximately 6.7% higher. The dollar amount of compensation

for student council advisors would be increased by an amount equal to approximately 6% in each case. Finally, the dollar amount of compensation for camp director would be set at \$530.00 under the Association's offer. Although the record does not include information concerning compensation for the camp director during the 1985-1986 school year, the Association's proposal would apparently generate an increase in the neighborhood of 6% or more for that position.

According to the District's calculations, the cost of the increases in extracurricular and extra duty pay under its offer is \$7,758.00. The cost of the Association's offer, according to the District's calculations, would be \$9,094.00. Thus, the difference between the two offers, in terms of cost, is \$1,336.00. Both parties agree that this difference between their two final offers will not have a great impact on the outcome of the proceeding herein and neither party offered much in the way of evidence or argument in support of its position on this issue.

Association's Proposed "Option Plan"

The agreement provides for health insurance coverage (along with dental, life and long term disability). In recent years that insurance coverage has been obtained from the WEA Insurance Trust and the parties agreed, as part of their tentative agreements in this case, to implement a health insurance plan, to be obtained from the WEAIT insurance corporation for the 1986-1987 year, with deductibles in the amount of

\$100.00 and \$200.00. According to the District's figures, the implementation of that plan will result in holding the increase in health insurance costs down to \$1,323.00. The District will pay the full cost of the single and family premium.

During bargaining, the Association proposed to add a new "option plan" or tax sheltered annuity provision which, in its view, will not only benefit teachers who have health insurance coverage available elsewhere, but will also provide a cost savings to the District. That proposal reads in relevant part as follows:

Article VI, L. Health Insurance

Add 7. In place of the District-offered hospital, surgical, medical and major medical insurance plan, any teacher covered by another health insurance plan may choose to participate in an option plan, defined as a tax sheltered annuity. The payment to the option plan will be the same as the premium cost for single health insurance coverage. Any employee who elects the option plan shall have an open enrollment, as provided in the contract between the District and the WEA Trust, into single or family coverage if his/her spouse loses coverage.

There shall be an open enrollment period to permit teachers to select single or family health insurance coverage or the option plan.

This provision shall be implemented only if the District will realize a savings in the cost of the health insurance premium for the current school year. This subsection shall terminate at the expiration of the 1986-87 Collective Bargaining Agreement.

At the hearing, the Association presented testimony and other evidence in support of this proposal, which is described more fully below in connection with the position of the Association. In essence, that evidence was intended to show that such plans are becoming more common, particularly among the districts deemed comparable by the Association, and that they frequently do generate cost savings to the employer. Based upon a survey of teachers in the District who will be eligible to elect to take health insurance coverage and others who already take health insurance coverage, it is the Association's estimate that a sufficient number would elect to participate in the option plan instead, to generate a cost savings to the District, as contemplated by its proposal. The District objects to the plan, for the reasons discussed below in connection with its position, and questions the accuracy of the Association's survey and the value of the cost savings projected by that survey, particularly in the long run.

DISTRICT'S POSITION

The District contends that the comparable school districts, for purposes of salary comparisons, consist of the athletic conference. Because there are no settlements within that conference and the lack of other, reliable comparability data, the District maintains that the outcome of this proceeding should depend upon other comparisons and other statutory criteria.

In support of its contention that the Flyway Athletic Conference constitutes the appropriate basis for comparison to other school districts, the District contends: (1) the Association has attempted to distort the content of prior awards defining comparables; (2) comparability has been established by numerous awards involving districts in the Flyway Athletic Conference; (3) the Association has failed to meet its burden of proof in expanding the comparables beyond the athletic conference; (4) other arbitrators have rejected union attempts to widen the scope of comparability; (5) other arbitrators have traditionally and consistently relied upon the athletic conference to determine comparables; (6) the District is similar to other athletic conference districts in terms of the traditional factors relied upon for determining comparability; (7) the Association's list of comparables includes districts with non-traditional salary schedules and multi-year agreements, which make comparisons impossible; and (8) if there are too few settlements in the athletic conference, it would be inappropriate to expand the comparables rather than rely upon the other statutory criteria.

In the District's view, the Association has proposed fundamental changes in the existing fringe benefit program and longevity program, which should not be imposed by the arbitrator, as opposed to being negotiated between the parties.

Citing a number of arbitration awards discussing the standard of proof to be applied in such cases, the District argues that the Association has failed to prove a need for the changes it has sought in these two areas.

Also, according to the District, the Association's "option plan" has shortcomings which are both serious and fatal. First, it argues, the Association's proposal restricts the Board to one insurance carrier, i.e., WEAIT. This is so, because the evidence establishes that the WEAIT is the only company that offers such an option. Thus, the Association's proposal would eliminate needed flexibility on the District's part in its efforts to contain health insurance costs through competitive bidding. Also, the District suggests that the Association's proposal is in violation of Section 628.34(5) Wis. Stats., which prohibits a contracting party from restricting the choice of the other party in the selection of the insurer for the purpose of meeting an insurance requirement established by the contract.

The Association's proposal would also result in "adverse selection," according to the District. Referring to the written opinion of certain insurance experts consulted by the District, the District argues that the open enrollment period required by the Association's proposal would permit employees who are otherwise uninsurable, to enter or reenter the insurance plan,

thereby imposing costs on all of the participants in the plan.

The District contends that the Association's claim that the plan will save the District money is hypothetical and speculative. The District notes that there is no guarantee that the employees identified by the Union as being interested in taking advantage of the option plan will in fact do so and, even if they do, the total savings would have amounted to \$2,281.00 during the 1986-87 school year, it notes. The District points out that the Union's expert agreed that there was "no guarantee" of savings and that Rosendale-Brandon School District actually suffered a loss after it implemented a similar plan. In the first year of the plan in that district it cost the district an additional \$5,000.00, which increased to \$9,000.00 in the second year and is projected to increase further to \$11,652.00. Given the admission of the Union's own witness, it would make no sense to institute the plan even if there were a small savings in the first few months, since the District would be faced with the prospect of rechecking every month to see if the situation had changed in order to take advantage of the alleged "safety net" provided in the Union's proposal.

In the District's view, the plan would create administrative headaches, not limited to the need to constantly monitor the economic impact of the plan. It asks rhetorically, if the plan were terminated, what would happen to the people in

the plan and what would happen if the plan began to show a savings again. The Board denies that it has the time or expertise to monitor the plan as required by the Union's own proposal.

The District also argues that the new tax law may have an impact on the tax consequences of the plan. While the Union's expert claimed that the old tax law had no impact on the plan, because it is not really a tax deferred annuity, the District argues that the new tax law constitutes an unknown factor, sufficient to justify rejection of the proposal.

The District also takes issue with the "safety net" which the Union's proposal allegedly contains. Thus, the requirement that a savings must accrue to the District has been shown to be nebulous and ambiguous and difficult of administration, according to the District. Further, the savings alleged by the Association is too small to provide for a sufficient margin for error, it contends. The second feature of the safety net consists of the provision requiring that it "self destruct" at the end of the school year. It would be folly to implement such a plan at or near the end of the school year, only to have it "disappear," the District argues.

Finally, the District argues that the Association's proposal is not supported by the comparables. Thus, only two districts within the athletic conference have adopted such a plan (Rosedale-Brandon and Horicon), whereas numerous other districts

have not done so. Of the 60 to 70 school districts within a 35 mile radius, relied upon by the Association, only 15 or 21% have such a plan. In the District's view, the Association has failed to justify the need for this substantial new fringe benefit and its inclusion in the Union's final offer is sufficient to call for the rejection of that offer in its entirety.

On the salary schedule issue, it is the District's fundamental position that the interests and welfare of the public are best reflected in its final offer and its final offer should be selected primarily on the basis of that criterion. Referring to its own exhibits concerning national, state and local farm and district economic conditions, the District argues that it would "ignore economic reality" to select the Union's final offer calling for an 8% increase in salary alone. The District summarizes the content of that evidence relating to public and political pressures and criticism of existing spending levels by government, particularly in the property tax area, and solutions recommended, particularly spending restraint in the case of revenues derived from property taxes. These pressures exist in an environment where the income of taxpayers is either increasing at a low rate or declining, the District notes. It is of particular significance that approximately 50% of the property value in the District is rural in nature and businesses in Mayville are heavily dependent upon purchases made by those in the farm community. The District

reviews the evidence introduced concerning the poor state of the farm economy and argues that, notwithstanding the decline in farm values, spending restraint is particularly important for this reason as well.

According to the District, the combination of problems affecting both rural and urban taxpayers in the District has been worsened as a result of the fact that spending for education, which largely consists of teacher salaries and benefits, has far outpaced inflation and growth in personal income.

While the general public interest and employee interest sometimes coincide, often they do not and this is such a case, according to the District. However, it argues that its final offer strikes a more reasonable balance between these two interests than does that of the Association, calling for an excessive 8% wage increase. Under these circumstances, it is appropriate to place greater emphasis on the public interest rather than on other criteria such as comparability data, it argues. A 5% offer in an economy with a negligible increase in the cost of living, but otherwise affected by the above described problems, is clearly in the public interest, according to the District.

The District cites a number of arbitration awards wherein arbitrators have concluded that the employer's final offer was to be preferred over that of the union's, based upon such

considerations. Arbitrators have reached such results, even in the face of comparables which would otherwise support the Union's final offer, according to the District.

Even so, the evidence of comparability data does favor its final offer, according to the District. Within those school districts deemed primarily comparable by the District, it notes that Mayville ranks near the top at every benchmark. When compared to the average, at each benchmark, the District has been anywhere from \$515.00 to more than \$3,000.00 above the conference average, it notes. Based upon these comparisons, the District argues that it has been a wage leader and it is other districts that can be expected to try to "catch up."

Similarly, the District notes that the average teacher salary in the District exceeded the conference average by nearly \$1,000.00 during 1985-1986. The District ranks second only to Horicon and yet the District is the only one in the conference which has a longevity pay provision. Its total compensation likewise exceeds the conference average by approximately \$1,563.00.

These favorable comparisons are not of recent origin, according to the District. Referring to its own data concerning five year benchmark increases, the District notes that it has been above average at each benchmark for a number of years. Salaries at each of the benchmarks have increased between 30 and 35% over that same five year period and those increases would be on top of increases achieved through progression through

the schedule itself. The ratio of maximum to minimum salary on the schedule is also the second highest in the conference, the District notes. In sum, there is no escaping the conclusion that the District is a leader in the conference, according to the District.

Turning to private sector and other public sector settlements, the District notes that on a national and state level, they are currently very modest ranging from wage freezes and cutbacks to increases that bearly equal that being offered by the District. Such low increases in the private sector and farm economy have been utilized as a basis for endorsing modest increases in teacher salaries by a number of arbitrators, according to the District.

Citing its own data concerning increases granted by private sector employers in Mayville, the District notes that they range from wage freezes to increases in the 2-3-4-5% range, with only one employer providing for increases near the range sought by the Association. Dodge County employees received 4% increases in 1985 and 1986, plus an additional 1% contribution toward retirement, with certain employees receiving a reduction in pay for 1987. District support staff received a 6.1% increase for this year, following more modest increases in the prior two years, and the administration received a 5.4% increase, following slightly larger increases during the prior two years.

Reviewing the testimony of the seven witnesses called by the District, relating to these wage increases, the District argues that this case should not turn upon a debate over the question of whether teachers should be paid more or less than other public and private sector employees. Like the Association's evidence concerning salaries earned by professionals in other professions on a 12 month basis, the question is not one of the absolute level of salary enjoyed by teachers, according to the District. Rather, it is a question of what is an appropriate wage increase, under the circumstances, given the modest increases occurring in the public and private sector in Mayville. Using this analysis, an 8% salary increase is simply unjustified, according to the District.

Citing an arbitration award which so holds in its view, the District argues that there would be no purpose in looking at other settlements if this were not the case. The general level of increases being granted to other employees in the same community is relevant and it is inappropriate to exclude the value of incremental increases, when making such comparisons, according to the District.

The relatively high settlement enjoyed by teachers in the District last year, likewise supports its position, according to the District. Thus, last year District employees received an increase of 8.8% or \$2,000.00 in salary alone for a total

package increase of 9% or \$2,684.00 per teacher. As stipulated at the hearing, these calculations exclude the value of the increase of 1.06% granted in exchange for the agreement to increase the number of contract days from 188 to 190. The District paid an additional \$20,000.00 a year to purchase those two additional days, the District notes. In its view, the Union has sought to manipulate its own data concerning that agreement to make its own numbers look better.

The District objects to the Union's effort to discount the value of its existing salary schedule, based upon this agreement. The District acknowledges that it did in fact "purchase" the two additional days and agreed to exclude the cost of that "purchase" from its cost calculations. However, it is a misrepresentation and deliberate manipulation of data to manipulate the salary comparisons this year, because of that agreement, it argues. It is the District's contention that an historical review establishes that the District has granted increases far above increases in the Consumer Price Index and consequently, its efforts to restrain expenditures under current economic circumstances is reasonable.

The District notes that the cost of living has been held in check for the last six years and that it only increased by 1.2% during the one year prior to the year of this agreement. Thus, its final offer exceeds the increase in the cost of living

by 3.9% while the Union's offer would exceed it by 6.7%. Thus, the District's offer is well above the cost of living and will afford teachers a real increase while the Association's offer is nearly six times the increase in the cost of living and is therefore unreasonable and excessive under this criterion, according to the District.

In general, economists agree that wages should follow the same trend as the inflation rate and it does not make sense to grant an 8% increase when the cost of living is increasing at a rate of 1.2%, according to the District. Further, contrary to the opinion expressed by several arbitrators, the appropriate measure of the cost of living is not what other employers and employees agree to, but rather the figures reflected in measures such as the Consumer Price Index. This criterion must stand alone under the statute, according to the District. In effect, the Union is seeking to maintain the relatively high level of settlements in relation to the cost of living that has occurred in recent years and ignores the economic realities facing municipal governments in Wisconsin. The District's offer is in line with other settlements and the Union has failed to provide any rational reason why it should be granted an 8% increase.

Utilizing an historical comparison of teachers' salaries to the rate of inflation, the District argues that teachers

have achieved real increases over and above those available through progression through the schedule. Given the fact that the District's salary schedule has been above average in the conference and has remained so in recent years, there is no reason to grant an increase so far in excess of the increase in the cost of living, it argues.

With regard to the criterion of overall compensation, the District argues that, when the cost of fringe benefits is taken into account, the District remains among the highest paid districts in the athletic conference. In terms of health insurance, it was the second highest in the conference during 1985-1986 and it was number one in terms of dental insurance premiums paid, being 50% above the conference average. The District pays the full share of a teacher's retirement and, unlike two of the conference districts, has a long term disability program paid in full by the District. In terms of total compensation, the District is \$1,500.00 above the conference average and, as noted above, is the only district having a longevity program. While the District might have difficulty in attempting to "take away" fringe benefits, it is difficult for the Association to justify a 50% increase in the longevity plan, it argues.

Other factors also support its final offer on salary, according to the District. Other than the economic circumstances

and tax revenue circumstances discussed above, which are traditionally given consideration in determining wages, hours and conditions of employment, the Board alludes to a number of statewide political considerations that have occurred as a result of those same factors. Thus, there is no question but that state legislators are receptive to some change to curtail increases in school district costs and relieve property tax burdens, different than efforts that have been made in the past, which are viewed as unsatisfactory. The Wisconsin Expenditure Commission has recommended that increases be limited and the Governor's budget would limit increases to school districts to 3.9%. While programs such as farm land preservation and homestead have been implemented to assist taxpayers, the inadequacy of the current system of funding education has been implicitly recognized by the appointment of a property tax commission to study the problem of property taxes and state spending. Under these existing political and economic realities, the District's proposal of a 5.1% package increase is both equitable and reasonable, it argues. Increases for school teachers have outstripped those of private sector and other public sector employees in the past providing them with significant real income advances in the past five years, and it is now time for lesser increases to be accepted.

Turning to the extracurricular and extra duty issues, the Board argues that its proposal of a 4%, across the board

increase is likewise reasonable and preferable to the 6% to 6.7% increase sought by the Association. The same economic and political considerations should be taken into account in evaluating the two final offers in this respect as well, it argues. While the District admits that these items are of far less significance than other issues discussed, it notes that its proposed increases are more in line with increases being granted to other employees in the community, state and nation.

For these reasons, the District asks that its offer be found to be the more reasonable under the statutory criteria.

ASSOCIATION'S POSITION

In its brief, the Association reviews all of the statutory criteria and argues that those criteria dealing with the interests and welfare of the public and financial ability to pay; comparisons; and "other factors" normally considered in proceedings such as this, should be given primary focus, based upon the presentations of the parties. In particular, the Association contends that the comparability criterion should be the key factor, on which the award is based.

In selecting other school districts for comparison purposes, the Association argues that all school districts located within a 25 mile radius of Mayville should constitute the primary set of comparables and that all school districts within a 35 mile radius of Mayville should constitute the secondary set

of comparables. The primary set advanced by the Union are either all contiguous or have been named as comparables in prior interest arbitration awards involving other parties, according to the Union.

The Flyway Athletic Conference does not constitute an appropriate basis for comparison, according to the Association, because the District has only been in that conference for four or five years; Mayville has been identified as a primary comparable in Dodge Land School District by two other arbitrators and in Horicon School District by one other arbitrator; and such a choice would exclude districts which are contiguous or in close proximity, which have also named the District as a primary comparable. According to the Association, the districts advanced in its arguments are equally as balanced in size, equalized valuation and levy rate as those advanced by the District. Citing the rationale of arbitrators in the cases referred to in its arguments, the Association maintains that an athletic conference does not constitute an appropriate basis for comparison purposes when it excludes many nearby school districts which are contiguous or in the same county.

According to the Association, it is appropriate to consider the secondary comparables proposed because there are only three settlements in the primary comparables proposed. The Association also notes that it has excluded certain districts, such

as Fond du Lac and Oskosh, because of their relative larger size and broken the districts down into a "large group" which includes all settled districts and a "small group" which has a full time teaching staff which is within the range of being 50% greater than or 50% less than Mayville.

According to the Association, it is not uncommon for arbitrators to expand the area of comparisons, when there is a lack of voluntary settlements for comparison purposes and this is an appropriate case in which to do so. Relying upon the "large group" and "small group" comparisons, the Association sets forth its various arguments under the statutory criteria.

According to the Association, the settlement pattern which has been established in those school districts within 35 miles which have settled for 1985-1986 supports its final offer. This is true whether the settlement pattern is viewed under an analysis of increases at benchmarks, dollar increases and percent increases per teacher or historical relative salary position, according to the Association.

Reviewing its exhibits in relation to the traditional benchmark points on the salary schedule, the Union notes that its offer of 6.5% increases is more in line with the increases granted at those same benchmarks, than is the District's 3.7% increase. In both the large group and small group, the dollar increases generated under the Association's proposal are also

more in line with the increases granted elsewhere, than would be the case under the Board's final offer.

When comparisons are made in terms of dollar increases and percent increases per teacher, the comparative data likewise supports the Association's position, it notes. Thus, in the "large group" the Association's proposal of increases amounting to \$1,996.00 per teacher or 8.0% per teacher is closer to the large group average of \$2,068.00 or 8.24% per teacher, than is the District's offer of \$1,242.00 per teacher or 5% per teacher. The same pattern exists in the case of the small group, the Association notes.

According to the Association, it is important to keep in mind the elements of the voluntary settlements reached in 1983-1984 and in 1984-1985, in viewing the historical relative salary position of the District in relation to comparables. Specifically, the Association notes that in 1984-1985, the first two steps on the salary schedule were deleted and the \$500.00 longevity payment was "incorporated"¹ as a new maximum step. The net result was to reduce the total number of steps from 14 to 13 and this action, along with the change of the MA plus 15 column to MA plus 20, had a dramatic impact on the

¹The District objects to the Union's characterization of the parties' agreement in relation to the suspension of longevity payments and the creation of the new step.

District's relative standing among comparables. While the longevity step was suspended, the practice had been to increase the amount of the longevity step and there was an agreement to provide payments to those teachers who were disadvantaged by the change in schedule and suspension of longevity payments. In 1985-1986, the Association notes, the parties agreed to increase the number of contract days from 188 to 190 and the value of that increase (1.06%) was added to the schedule, even though the parties agreed that it was not part of the cost of the settlement. This too had the effect of improving the District's relative standing at various benchmarks, among comparables, it notes.

The Association contends that, if the District's final offer is selected, its relative rank among comparables will deteriorate at five of seven benchmark positions, when compared to the large group. Also, the dollar deviation and percentage deviation would be hurt and it would virtually eliminate the benefit of the 1983-1984 and 1985-1986 agreements, it argues.

Turning to its data with regard to the small group, the Association notes that the District's offer would lower the District at four of the seven benchmarks and have a similar negative impact when viewed in terms of dollar deviation and percentage deviation at the benchmarks.

Reviewing the dollar increases per teacher and percentage increases per teacher for those settled districts which can

be characterized as "1986-1987 settlements," the Association notes that the average increases likewise support its offer. The eight school districts who fit into this category had an average increase of \$1,884.00 or 8.0%, which compares well to the Association's proposal of \$1,996.00 or 8.0%. The same holds true when the total package figures are analyzed, it notes. Analyzing the small group and excluding the two districts which may have involved multi-year settlements, the analysis is the same, the Association notes. Finally, when the two districts in question (Random Lake and Waupun) are analyzed separately, the result is essentially the same.

In the Association's view, the parties' recent voluntary settlement history also requires that the Association's offer be favored. Thus, the data demonstrates that the District has made significant improvements in rank at each benchmark as result of those voluntary settlements, when compared to both the large group and the small group. The Association's offer would maintain those advances, whereas the District's offer would cause the comparisons to revert to their relationship in 1983-1984. There is no question, based on Association and District exhibits, that the improvement in rank relied upon by the District, was the result of these voluntary settlements and it is the benefit of these voluntary settlements, which the District seeks to undo, according to the Association. Thus, it comes as no surprise, that the District's data demonstrates

that the District has exceeded the settlement pattern in the Flyway Athletic Conference for the period between 1981-1982 through 1985-1986. This same phenomenon is reflected in both the comparisons to the Flyway Athletic Conference and in the Association's comparisons to the large group and small group districts it relies upon.

According to the Association, there is nothing in the record which justifies the District's efforts to undo the benefits of their prior voluntary agreements. Similarly, according to the Association, there is nothing in the record to justify the District's proposal to "freeze" the longevity payment, which has historically been increased from year to year, until it was incorporated into the salary schedule and suspended. It is important to remember, that longevity was only suspended and was reinstated during the 1985-1986 year. Therefore, the Association takes the position that its proposal to increase the longevity payment to \$300.00 merely continues the historical practice and it is the District which seeks to change that practice. The Union notes that there is no "mystery" as to why the parties have had such a practice, since approximately 40 teachers or 60% of the staff have been and continue to be at the top step of the schedule.

Turning to the cost of living criterion, the Association argues that the "pattern of settlements" in the same "economic-

geographic area" is the most appropriate indicator of the "cost of living" for purposes of this proceeding. Citing arbitration awards dealing with the relationship between increases in the cost of living and settlement patterns, the Union notes that arbitrators have rejected the appropriateness of relying upon percentage increases in the cost of living when the cost of living increases are high and the pattern of settlements are lower and that arbitrators have, consistently, held the opposite. Thus, when the pattern of settlements exceeds increases in the cost of living, the pattern of settlements should be taken as the best indication of the appropriate measure of the cost of living in the area from which the comparisons are drawn.

Further, even though the District argues that teachers in the District have done well in relation to increases in the cost of living in recent years, its arguments are flawed, according to the Association, because they fail to take into account the pattern of settlements, changes in the salary schedule structure which were agreed to, the increase in the number of contract days, and because of their inclusion of the experience increment. The Union also notes that the District has focused on a period of relatively low inflation. When the value of increments is excluded from the analysis, the real increase achieved is less than 8.7% and that would have to be further reduced because of the value of the structural changes

in the schedule and the increase in the number of contract days.

Turning to the criterion relating to the interest and welfare of the public, the Association argues that its offer would best serve that criterion. The Association notes that the District has stipulated that there is no dispute concerning its ability to pay the cost of either offer. According to the Association, if the District seeks to prove that the citizens of the District are economically depressed, it has the burden of doing so and of establishing that they are in a more adverse position than other districts in the area. Viewed in this light, the record fails to disclose any such evidence, according to the Association. In fact, those District exhibits which focus on the local economic conditions reveal a generally positive view of the state of the economy in Mayville. Thus, tax collections are up, the school District is no longer operating in the red, the budget was passed unanimously with sufficient funds to cover either offer, state aids increased by approximately 20% and the District was able to reduce the tax levy, due to such increase.

Reviewing the various District exhibits, the Association maintains that they demonstrate that the Mayville economy is healthy and positively viewed by those surveyed recently. Average income is higher than in other Flyway Conference districts

and the adjusted gross per capita income in Mayville exceeds that of Dodge County. In fact, according to the Association, Mayville appears to be "above average" in a number of respects, including the local perception of its own school system.

The Association faults the evidence presented in the form of testimony and exhibits on behalf of private section employers, arguing that they represent only 37% of the industries that exist in Mayville, according to a recent survey, and for other reasons as well. Thus, some of the industries provide employees with part ownership, many of the employees live outside of Mayville; and none of the companies make it a practice of comparing wage increases to those granted to District teachers. Even so, certain of their testimony supports the Association's position, it maintains. It confirms that Mayville is similar to other local districts and that the salary range enjoyed by professional employees is generally higher than that enjoyed by teachers in the District.

With regard to the evidence and testimony concerning the state of the farm economy, the Association argues that taxes are not the cause of the plight of farmers and that even if the property tax were eliminated, farmers would continue to fail for other reasons. Because of the decline in farm values, property taxes as a percent of farm expenses have actually decreased, it notes. As a percentage of the population, farmers

represent a relatively small proportion of taxpayers in the District and only 18.3% of the District's land value is in agriculture. On the other hand, state aids are increasing and unemployment in the County has recently decreased.

Referring to its own exhibits, the Association notes that numerous authorities have called for increased compensation to attract and retain competent individuals in the teaching profession. Teaching salaries are low in comparison to other professional salaries, according to exhibits introduced into evidence, and a number of national and state reports have noted this problem. Thus, for this reason, the interest and welfare of the public would best be served by its offer, the Association maintains.

Turning to its proposed "option plan" or tax sheltered annuity proposal, the Association argues that such proposal would benefit both teachers and the District. It does not make good economic sense to have both spouses covered by family health insurance and the plan was developed by WEAIT in order to create a positive incentive or "carrot" to induce employees to drop double health insurance coverage. By creating such a benefit in the form of a tax sheltered annuity and contributing the amount of the single premium, and guaranteeing employees insurability in the event their spouse loses coverage, the District is able to save the difference between the

cost of the single and family premiums and the employee enjoys a benefit. That difference is \$1,294.80 annually per teacher.

Essential to the plan, is the open enrollment period to insure coverage for those employees who have elected not to be a part of the health insurance plan and could not otherwise be admitted without proof of insurability. This insures that all employees are "out of jeopardy" and free to participate in the option plan. One District employee has been denied access to health insurance due to a preexisting health condition and would specifically benefit by this feature. A survey shows that five teachers would opt out of the family plan and into the tax sheltered annuity. An additional nine employees are eligible to do so but were undecided at the time of the hearing. When the "cost" of the plan is subtracted from the savings, the net savings amounts to \$2,280.00 per year. It is unclear whether the District is correct in its contention that a teacher currently carrying family insurance coverage would elect to opt out and have his wife, who is a non-certified employee of the District, pick up the family insurance coverage. For this reason, the Association did not cost in this possible occurrence in its projections.

The Association emphasizes that it has placed two "safeguards" in the proposal. First, the implementation of the plan must result in the realizing of a savings during the 1986-1987 school year. Secondly, the plan will automatically terminate

at the end of the 1986-1987 agreement. The Association notes that both parties looked toward various means for cost containment during their negotiations and agreed to a modification in the health insurance plan for that purpose. The Association's proposal constitutes another means for doing the same thing, it argues.

The Association contends that the concerns raised by the District about the plan are without merit. Thus, its concern about being locked into the WEAIT plan is taken care of by the automatic termination feature. Further, this concern is really a non-issue, since the naming of the insurance carrier is now a mandatory bargaining subject, according to the Association.

The Association also notes that its proposal is not unique, having been adopted by 32 districts in southeastern Wisconsin. Of the 65 districts which have insurance through WEAIT, almost one-half have the option plan. There are 15 districts within 35 miles which have it and 3 are within close proximity, including 2 of the District's comparables.

With regard to the District's expressed concerns about increasing costs in the future, the Association maintains that there are no "costs" to the District since, the return of a bargaining unit member to the health insurance plan is a matter of entitlement, but the District has saved money in the interim. While one district did initially experience costs, according

to the Association's expert, that same district is now saving money under the plan.

Adverse selection would not be a problem, according to the Association, since most employees are already covered and the real adverse selection would be in the case of the spouse's insurance company rather than the District employee's insurance company. The experience in Rosendale-Brandon was unique, according to the Association, because there was a large number of employees who elected to participate in the health insurance plan, who had not previously done so. Here, there are only five teachers who could do so and the costs are therefore less. The claim that the payments might be subject to FICA or WRS roll-ups is unsupported by the record, according to the Association, because its expert witness testified to the contrary, based upon Attorney General and IRS opinions.

The dispute about whether Blue Cross/Blue Shield has ever offered such a plan has been clarified by post-hearing submissions, according to the Association. The evidence establishes that Blue Cross/Blue Shield did in fact offer such a plan in the Johnson Creek School District in 1985.

According to the Association, the option plan offers insurance security to all bargaining unit members through guaranteed insurability and offers financial benefits to teachers and to the District. If continued in future years, it will

assist the parties in containing insurance costs, justifying its continued inclusion in the agreement, as it has been continued in numerous other districts in southeastern Wisconsin. For these reasons, the Association argues that its offer should be favored on this proposal.

Summarizing and concluding its arguments, the Association asks that its final offer be selected under the statutory criteria, as the more reasonable offer.

DISCUSSION

The first question which must be addressed in this proceeding is the question of which school districts should be used for comparison purposes under the comparability criterion. The answer to that question will have a significant impact upon the application of the other statutory criteria to each of the issues in dispute.

Even though the parties have bargained for a number of years and have achieved voluntary settlements in those years, they have apparently failed to agree on an appropriate set of comparables. As the District points out, it is common, but not universal, for parties to agree to accept other school districts in the same athletic conference as comparable and the data presented by the District demonstrates that such a selection would be appropriate in this case. Even so, in the absence of an agreement between the parties, it is appropriate

to give some consideration to other comparables in the view of the undersigned, provided they are reasonably proximate and similar in those respects deemed important for purposes of comparability. Thus, contiguous school districts are normally deemed to be within the same labor market and frequently, but not always, are similar in other respects which relate to the district's ability to pay and social-economic-political characteristics.

The problem with the primary and secondary comparables proposed by the Association lies in the fact that the principal factor they have in common is the fact that they are physically located within either 25 miles or 35 miles of Mayville. While the Association has excluded certain districts which are clearly not comparable because of their urban nature, such as Fond du Lac and Oshkosh, its proposed sets of comparables include widely divergent districts, some of which are much more proximate to large urban areas and are otherwise distinguishable from the districts in the athletic conference and contiguous to Mayville. While the districts falling within the 25 mile radius proposed by the Union are arguably more comparable than those falling within the 35 mile radius proposed by the Union, only three of those districts have settlements and two involve multi-year agreements, while the third involves an elementary district.

For these reasons, the undersigned accepts the comparables

proposed by the District as suitable for use as or inclusion in a primary set of comparables. Some consideration should be given to the comparisons drawn to the comparables relied upon by the Association; however, they lack sufficient weight to be deemed primary or compelling under the comparability criterion. Having resolved this question, it is appropriate to turn to the issues in dispute under the various statutory criteria.

Extracurricular and Extra Duty Pay

Of the three issues in dispute identified above, this issue, by the parties' own agreement, carries the least weight. Neither party submitted much evidence on the issue and both parties essentially rely upon their general arguments to carry this issue as well.

For reasons discussed more fully below, the undersigned believes that the District's proposal with regard to this issue is the more reasonable. There is no showing in the record that the existing level of payments for extracurricular duties or extra pay activities is low in relation to any of the comparables, either those advanced by the District or those advanced by the Association. The increases proposed by the District are consistent with general increases granted to other public and private sector employees residing in the District and are significantly above the increase in the cost of living experienced

in the year immediately prior to the 1986-1987 school year. While the difference in cost between the two proposals is not great, both parties admit that the overall cost of this issue is not of sufficient magnitude, in itself, to require the selection of one offer over the other.

The undersigned assumes that, had the parties been able to resolve the more serious issues in dispute, they no doubt would have reached agreement on this issue, possibly at a compromised figure. However, if the undersigned must select between the two proposals, based upon the evidence of record, the District's offer is deemed the more reasonable offer under the statutory criteria.

Association's Proposed "Option Plan"

The Association's proposal to create an "option plan" or tax sheltered annuity plan has two aspects to it. Thus, while it is designed to provide an incentive to encourage employees who have health insurance available to them through a spouse employed elsewhere, it also establishes a significant new fringe benefit. In the view of the undersigned, it would be naive to assume that such a benefit, once established, could be easily terminated, even if the cost savings begins to disappear. While the Union may be correct that it is possible to view such a "disappearance" as a mere return of costs the District might otherwise have incurred if employees had not been inclined to eliminate double coverage absent the incentive,

the fact remains that such benefits, once established, are difficult to eliminate.

There is some evidence in the record to support the conclusion that such cost saving/fringe benefit programs may become the norm in the area. However, at the time of the hearing, there were only two comparable districts who had such a program and one of those districts reported what it considered to be costly and negative consequences.

While the undersigned cannot accept the District's contention that the Union's proposal is "illegal" under the consumer legislation referred to in its arguments, there is some question concerning its relationship to FICA and tax legislation and rules, which could result in an increase in cost to the District. Unquestionably, it also involves some element of adverse selection, as reflected in the fact that one of the teachers who is not currently covered by health insurance and would like to be covered, could not gain coverage under the existing health insurance plan absent an initial open enrollment period, such as that called for in the Association's proposal. Also, as the District points out, such a fringe benefit, once established, would in all likelihood be extended to other District employees, with possible consequences not taken into consideration by the Association's survey. This was apparently part of the unforeseen cost problem

which arose at Rosendale-Brandon.

Absent compelling evidence that an option plan of the type sought by the Association has become a norm of employment within the relevant comparables, the undersigned must agree with the District that it is inappropriate to include such a provision in the agreement through the arbitration process. It may be, through the process of negotiations, the parties may be able to develop an option program similar to that sought by the Association herein which includes sufficient safeguards and/or quid pro quo to satisfy some of the legitimate concerns expressed by the District. It is by that process that such new concepts are introduced into collective bargaining agreements, and eventually extended to those who do not participate in the initial innovations.

For these reasons, the undersigned concludes that the Association's proposal to include its "option plan" has not been sustained under the statutory criteria, particularly those relating to comparability and "other factors" such as the general principle that the proponent of a new or changed fringe benefit or working condition bears a heavy responsibility to justify such a new or changed fringe benefit or working condition, if it is to be imposed involuntarily through arbitration.

Salary Schedule and Longevity Pay

While the undersigned has indicated above, his belief that the comparability data relied upon by the Association cannot

be given great weight in this proceeding because of the critical absence of data concerning school districts deemed more truly comparable, it should be acknowledged that the Association's data does support its position. Thus, even though only a fraction of the school districts had settled or otherwise had agreements for 1986-1987, those that did generally granted percentage increases and dollar increases at the benchmark positions which approximated those sought by the Association herein. Further, the generally favorable standing of the District at the various benchmarks drawn in those comparisons would apparently be adversely affected, if it is assumed that the other districts settle on similar terms. However, as the District points out, the Association's data does not clearly establish how comparable the settlement terms were in every case, in terms of the problem of salary schedule manipulations. More importantly, the Association's data fails to address the possibility that the settlements ultimately achieved in districts more properly deemed comparable, may or may not be at such a level. The fact that there were no such settlements at the time the record herein was closed, in itself raises a serious question concerning the assumption implicit in the Association's analysis, i.e., that the District will have to grant increases of the magnitude sought by the Association to maintain its relative rank.

Under these circumstances, the undersigned believes that it is appropriate to give some consideration to the comparables relied upon by the Association, but that that consideration cannot be controlling as urged by the Association in its argument. Similar consideration ought to be given to the other comparisons drawn by the District, in the view of the undersigned.

There are obvious problems in drawing analogies between salary schedules as complex as those employed in school districts and the compensation schemes normally applicable to other public sector and to private sector employees. Those problems, like the problems posed by the perennial argument over the length of the school year in comparison to the employment year of most other employees must be taken into account, but probably will never be "resolved" in a proceeding such as this or in any other forum. Even so, the magnitude of the wage increases being granted other public sector employees and private sector employees according to the District's data, are comparable to the magnitude of the increases that will be generated under the District's offer. Significantly, the employees in question either reside in the same community or work in the same community. Thus, while comparisons to other teaching employees employed in nearby communities having similar taxing ability and political-social-economic characteristics would be far more persuasive, there is no doubt that this data supports the District's offer.

The District is correct in its contention that the cost of living criterion is a separate criterion and should be so treated, for purposes of analysis. Viewed separately, it is clear that the District's offer will grant real wage increases well in excess of the cost of living increase during the prior year, as measured by the Consumer Price Index. It is also true that the Association's proposal would generate real wage increases even more in excess of the increase in the cost of living, so measured. Nevertheless, the question remains, which offer is the more reasonable, even though they both may be viewed as "generous" in relation to this criterion. In the absence of compelling evidence that increases of the magnitude sought by the Association have been or will be granted to employees working in the same labor market for school districts faced with the same taxing problems and operating in the same socio-political-economic environment, the Association proposal, on its face, would appear to be excessive under this criterion.

The Association is correct in its contention that there is no evidence in the record of an inability to pay and that there is no evidence that the District is suffering from disproportionately depressed economic conditions. On the other hand, the evidence is clear to the effect that the existing level of salaries in the District has been, and remained during the 1985-1986 school year, in a somewhat favorable position.

The fringe benefits enjoyed by District teachers compares quite favorably and includes a fringe benefit not generally enjoyed by others, i.e., longevity pay. While the undersigned understands that a significant portion of the teachers are at the top step of the schedule, that is a phenomenon which is inevitable in the case of a salary schedule. While the parties may have negotiated increases in longevity payments in the past, it cannot be said that there is an existing practice requiring them to do so, which the District seeks to abandon by its final offer. In fact, on this particular aspect of the final offers, the proposed increase would have been more appropriately included in the District's final offer, rather than in the Association's final offer, in the view of the undersigned.

Perhaps the most troubling aspect of this case is the Association's contention that the District's final offer will "undo" the improvements made in the salary schedule through voluntary negotiations in recent years. To the extent that the Association relies upon agreements achieved before the agreement most recently expired, this argument carries less weight. Nevertheless, it must be assumed that the parties have been endeavoring, through their voluntary settlements, to "improve" the relative standing of the District, as measured by its salary schedule.

Notwithstanding this legitimate concern, the ultimate

question that must be answered in this proceeding is whether an increase in the magnitude sought by the Association should be favored under all of the statutory criteria because of the possibility that the District may lose standing in the athletic conference or among contiguous districts. In the absence of data concerning settlements in the athletic conference or among those districts, it is simply not possible to answer this question with certainty. On the other hand, given the other factors identified above, and the fact that the undersigned has no authority to "split the difference," the undersigned believes that the District's final offer is the more reasonable of the two. Put differently, the undersigned is satisfied that, had the parties been able to achieve voluntary settlement, giving appropriate consideration to the statutory provisions, including the right to arbitrate impasses, it is more likely that they would have achieved a voluntary settlement approximating that offered by the District rather than that offered by the Association. While certainly not controlling, the same must be said of the two proposals for extracurricular salary and extra duty pay. The Association's "option proposal," which is significant in viewing the difference between the two offers, likewise tips the scale in favor of the District's offer, in the view of the undersigned.

For these reasons the undersigned renders the following

AWARD

The final offer of the District, together with the issues resolved in bargaining and included in the stipulations of the parties shall be incorporated into a new 1986-1987 collective bargaining agreement, along with the provisions of the prior agreement which are to remain unchanged under the parties' final offers.

Dated at Madison, Wisconsin this 13th day of May, 1987.


George R. Fleischli
Mediator/Arbitrator

ARTICLE VI - Compensation

A. Salary Schedule for the SCHOOL DISTRICT OF MAYVILLE 1985-86

STEP	BA	BA+10	BA+20	BA+30	MA	MA+10	MA+20
1.0	16685	17352	18020	18687	19021	19856	20689
2.0	17352	18047	18740	19434	19782	20649	21517
3.0	18020	18741	19460	20182	20544	21443	22344
4.0	18687	19436	20181	20929	21305	22237	23171
5.0	19355	20130	20901	21676	22066	23031	23998
6.0	20022	20824	21621	22424	22828	23824	24825
7.0	20689	21519	22342	23171	23589	24618	25653
8.0	21357	22213	23062	23918	24350	25412	26480
9.0	22024	22907	23782	24666	25112	26206	27307
10.0	22691	23602	24503	25413	25873	26999	28134
11.0	23359	24296	25223	26160	26634	27793	28962
12.0	24026	24991	25943	26908	27396	28587	29789
13.0	24694	25685	26663	27655	28157	29381	30616

Index System: The base figure of each column to the right of the bachelor's degree column is increased in a succession of percentages, all percentages are 4.0,4.0,4.0,4.0,2.0,5.0,5.0 of the bachelor degree column.

The increments of the seven degree columns are based on a 4% non-progressive index.

A longevity payment of \$200 will be made in December to all persons who have reached the thirteenth (13th) step of any column and are not scheduled to receive an increment.

STEP	BA	BA+10	BA+20	BA+30	MA	MA+10	MA+20
87 NEGOTIATIONS- BOARD PROPOSAL							
1	17310	18002	18695	19387	19733	20599	21464
2	18002	18722	19443	20163	20523	21423	22323
3	18695	19443	20190	20938	21312	22247	23182
4	19367	20163	20938	21714	22101	23071	24040
5	20080	20883	21686	22489	22891	23895	24899
6	20772	21603	22434	23265	23680	24719	25757
7	21464	22323	23182	24040	24469	25543	26616
8	22157	23013	23929	24816	25259	26367	27474
9	22849	23763	24677	25591	26048	27191	28333
10	23542	24483	25425	26367	26837	28015	29192
11	24234	25203	26173	27142	27627	28838	30050
12	24926	25923	26921	27918	28416	29662	30909
13	25619	26644	27668	28693	29205	30486	31767

Index System: The base figure of each column to the right of the bachelor's degree column is increased in a succession of percentages, all percentages are 4.0, 4.0, 4.0, 4.0, 2.0, 5.0, 5.0 of the bachelor degree column.

The increments of the seven degree columns are based on a 4% non-progressive index.

A longevity payment of \$200 will be made in December to all persons who have reached the thirteenth (13th) step of any column and are not scheduled to receive an increment.

APPENDIX B

MAYVILLE PROPOSED SALARY SCHEDULE 9/16/86

STEP	BA	BA+10	BA+20	BA+30	MA	MA+10	MA+20
1.0	17775	18485	19197	19908	20263	21153	22040
2.0	18485	19226	19964	20703	21074	21998	22922
3.0	19197	19965	20731	21500	21886	22844	23804
4.0	19908	20706	21499	22296	22697	23690	24685
5.0	20619	21445	22266	23092	23507	24535	25566
6.0	21330	22184	23033	23889	24319	25380	26447
7.0	22040	22925	23801	24685	25130	26226	27329
8.0	22752	23664	24568	25480	25941	27072	28210
9.0	23463	24403	25335	26277	26752	27918	29091
10.0	24173	25144	26104	27073	27563	28763	29972
11.0	24885	25883	26871	27869	28374	29608	30854
12.0	25595	26623	27638	28666	29186	30454	31735
13.0	26307	27363	28405	29461	29996	31300	32616

Index System: The base figure of each column to the right of the bachelor's degree column is increased in a succession of percentages, all percentages are 4.0, 4.0, 4.0, 4.0, 2.0, 5.0, 5.0 of the bachelor degree column.

The increment of the seven degree columns are based on a 4% non-progressive index.

A longevity payment of \$300 will be made in December to all persons who have reached the thirteenth (13th) step on any column and are not scheduled to receive an increment.