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EDWARD B. KRINSKY, MEDIATOR-ARBITRATOR

WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

In the Matter of Mediation-Arbitration	:	
Between	:	Case 24
	:	No. 38156
WEST CENTRAL EDUCATION ASSOCIATION	:	MED/ARB-4239
	:	Decision No. 24532-A
and	:	
	:	
AUGUSTA SCHOOL DISTRICT	:	
	:	

Appearances:

Mr. R. F. Gilligan, Executive Director, for
the Association.
Mulcahy & Wherry, S.C., Attorneys at Law, by
Mr. Stephen L. Weld, for the District.

On June 16, 1987, the Wisconsin Employment Relations Commission appointed the undersigned as mediator-arbitrator in the above-captioned matter. Mediation took place at the District's offices on July 23, 1987. The matters at issue were not resolved. Arbitration took place that same afternoon. No transcript of the proceedings was made. At the hearing the parties had the opportunity to present testimony, evidence and arguments. The record was completed with the exchange by the arbitrator of post-hearing briefs on September 10, 1987.

The only issue between the parties is the percentage increase for 1986-87 to be applied to the salary schedule, longevity provision and extracurricular rates. The Association's final offer is a 6.35% increase. The District's final offer is a 5.0% increase. By statute the arbitrator is required to choose one final offer or the other in its entirety.

In making his decision the arbitrator is required to weigh the factors listed in the statute. There is no issue in this dispute concerning the following factors: (a) lawful authority of the employer; (b) stipulations of the parties; that portion of (c) which deals with the financial ability of the unit of government to meet the costs of any proposed settlement; (h) other factors normally taken into account.

The arbitrator's decision is given below and addresses the remaining statutory factors.

Factor (c) "The interests and welfare of the public . . ."

The District introduced data to support arguments that the economic condition of the District is such that the public has an interest in implementation of its lower offer so as not to add to the tax burden. In comparison to the other Conference and contiguous districts, the District is near the top in such measures as: cost per pupil, full value tax rate; increase in full value tax rate; and (1980) families below the poverty level. Employment in the District (1980-83) has decreased, and the District's population is much older than the population of the County (in 1980 32% of the District's population was 60 or over; 16% of the County's population was 60 or over). Also, the District is above average in state aid per pupil and has below average per capita income. The District also put into evidence data on commodity process to illustrate the poor state of the farm economy.

The Association has demonstrated through the District's documents and statements attributed to District administrators that since 1984-85 the burden on the taxpayers has actually been reduced. For example, the following is contained in the Annual Meeting document prepared by the District for the September 16, 1986 meeting (Union Exhibit No. 31):

In developing the 1985-86 budget, the . . . Board elected to maintain the gross property tax levy/mill rate the same as for 1984-85. This means that the net property tax levy/mill rate was reduced proportionately to the amount of property tax credit . . . which was returned as an actual property tax reduction for the property taxpayer, amounting to an actual 8% decrease . . .

In developing the 1986-87 budget the . . . Board elected to again provide immediate property tax relief through refinancing a portion of the High School Bond final balloon payment, in addition to not levying for the . . . School Property Tax Credit, amounting to an actual 27% decrease . . .

It is the arbitrator's opinion that the economic data presented by the parties do not illustrate that the District is significantly worse off than the comparison districts, although they also do not illustrate that the District is better off economically than most of the other districts. Thus, in his view, there is no need to give special consideration in this case to the District's economic status. The arbitrator believes that the data support an argument for a reasonable or moderate increase for teachers, rather than a

very large one, and this perhaps favors the District's position. However, the arbitrator does not view the data as supporting a clear preference for one final offer over the other when considering the interests and welfare of the public.

Factor (d) "Comparison of wages, hours, and conditions of employment of the municipal employees involved in the arbitration proceedings with the wages, hours and conditions of employment of other employees performing similar services . . . in the same community and in comparable communities . . ."

The parties differ with regard to which school districts should be used for purposes of making salary comparisons. The District urges the arbitrator to use the Dairyland Conference, of which Augusta is a member, plus the Osseo district which was formerly in the Conference, with which there is still some sports competition, and which is contiguous to the District. As of the date for submission of the briefs, the date which the parties agreed at the arbitration hearing would be the date by which additional arbitration awards or settlements would be considered, there were settlements in six of the Conference districts and in Osseo.

The Association urges the use of comparable districts which are located within a 22-mile radius of Eau Claire (the distance Augusta is from Eau Claire). Of those districts which have settlements for 1986-87 and which the Association deems to be of similar size to Augusta, there are eight districts including Osseo. The others are Fall Creek, Colfax, Elk Mound, Altoona, Bloomer, Mondovi and Cadott.

Traditionally parties in Wisconsin public school collective bargaining have looked to athletic conference groupings for purposes of making primary comparisons. The arbitrator does not know in the present case to what extent the parties have followed that tradition in the past, but there is no evidence that they have agreed that other districts are more suitable. In any event, the arbitrator believes that the Conference districts should be used for comparison purposes. Also, both parties have included Osseo in their comparisons, and for that reason the arbitrator will include Osseo. Osseo is a contiguous district to Augusta. Since the parties have agreed to use this contiguous district it seems reasonable that the other settled contiguous districts of similar characteristics, Fall Creek, Cadott and Thorp, should also be used. Fall Creek and Cadott are part of the Association's 22-mile radius group also. The addition of these districts results in having ten districts for comparison purposes, a more than adequate number in the arbitrator's view.

The arbitrator is not persuaded that there is merit to extending the list to include the other districts within the 22-mile radius of Eau Claire sought by the Association. The District is at the eastern end of Eau Claire County and even though it is arguably related to the Eau Claire metropolitan area, inclusion of the 22-mile radius districts might have the effect of magnifying the metropolitan influences of Eau Claire and Chippewa Falls. Since it is not necessary to do that in order to achieve a suitable list of comparables, the arbitrator has opted not to do so. Thus, in summary, the districts that the arbitrator will use are Alma, Cadott, Cochrane-Fountain City, Fall Creek, Gilmanton, Independence, Osseo, Taylor, Thorp and Whitehall.

From data supplied by the parties, the arbitrator has compiled the median salary increase given in the settled Conference and contiguous districts and compared that to the parties' final offers. These figures are shown at each of five salary benchmarks for which complete data were available:

	Conference Median	Conference + Contiguous Median
BA-min	6.6%	6.2%
BA-max w/o longevity	5.7	5.3
MA-min	6.4	6.2
MA-max w/o longevity	5.6	5.5
Sched-max w/o longevity	6.6	7.2

Within the Conference, the District's offer (5.0%) is closer to the median at MA-max; the Association's (6.35%) is closer to the median at BA-min, MA-min and Sched-max. At BA-max neither offer is clearly preferred.

When compared with the Conference plus contiguous districts, the District's offer is closer at BA-max and MA-max; the Association's is closer at BA-min, MA-min and Schedule-max.

The arbitrator has used the available data to make comparisons between these districts for 1986-87 and 1985-86 to ascertain what the offers would do to the District's relative standing.

The first comparison shown is the District's ranking in relationship to Conference and Conference plus contiguous districts. The second comparison shown is the dollar relationship of the District to the dollar median of the comparison districts.

	Rank of Augusta in 7 Conference Districts	Rank in Conference + Contiguous
BA-min		
1986-87	Dist=5 Assn=3	Dist=7 Assn=4
1985-86	3	7
BA-max		
1986-87	6	Dist=9 Assn=8
1985-86	6	9
MA-min		
1986-87	1	Dist=3 Assn=2
1985-86	1	1
MA-max		
1986-87	1	1
1985-86	1	1
Sched-max		
1986-87	1	Dist=5 Assn=4
1985-86	1	2

These data show that within the Conference the Association's offer retains ranking and thus is preferred at BA-min, and there is no preference at the other benchmarks. Within the Conference plus contiguous comparisons, the District offer retains ranking and thus is preferred at BA-min and BA-max. The Association's offer is preferred at MA-min and Schedule-max because it results in less deterioration of rank than does the District's offer. There is no preference at MA-max.

	Relationship of Augusta to Median of 6 Other Conference Districts	Relationship of Augusta to Median of 10 Other Conference and Contiguous Median
BA-min		
1986-87	Dist=\$ -76 Assn= +132	Dist=\$ -45 Assn= +163
1985-86	+18	-129
BA-max		
1986-87	Dist= -812 Assn= -538	Dist= -1093 Assn= - 819
1985-86	-662	-702
MA-min		
1986-87	Dist= +389 Assn= +622	Dist= +389 Assn= +622
1985-86	+378	+378
MA-max		
1986-87	Dist= +1742 Assn+ +2096	Dist= +854 Assn+=+1208
1985-86	+1441	+1103
Sched-max		
1986-87	Dist= +1507 Assn= +1874	Dist= +544 Assn= +911
1985-86	+1676	+902

This analysis indicates that within the Conference, the District's offer more closely retains the relationship to the median at BA-min, MA-min, MA-max and Sched-max. The Association's offer is closer at BA-max.

When the comparisons are made to the Conference plus contiguous districts, the District's offer is closer at BA-min and MA-min. The Association's offer is closer at BA-max, MA-max and Schedule-max.

It is the arbitrator's conclusion based on the above analysis of percentage increases, rankings and comparisons to the medians, that there is no clear preference between the

parties' final offers based on the comparisons criterion when making comparisons with other teachers in appropriate districts.

Factor (d) refers also to comparisons with "other employees generally in public employment in the same community and in comparable communities . . ." Neither party presented data showing wage comparisons with non-teaching employees, and thus neither offer is preferred using this criterion.

Factor (d) also refers to comparisons with employees "in private employment in the same community and in comparable communities . . ." The District presented data published by the State of Wisconsin showing minimum and maximum hourly rates for ten occupations. The rates were for the entire State and for the "West Central Wisconsin Service Delivery Area," which includes Eau Claire County. The District calculated hourly rates for the teachers in Augusta and compared them to these occupations. It concluded that perhaps only Civil Engineers had lower average hourly rates than the teachers.

The District's analysis is of limited usefulness for several reasons. First, the time framework in which the private sector rates are applicable is not provided. Second, there are not annual increases shown in those rates for any relevant time periods. Third, even if the figures are both current and accurate, there is no data provided to show the historic relationship between rates paid to these occupations and rates paid to teachers.

The arbitrator does not prefer one final offer to the other based on data presented about wage comparisons with employees in private employment.

Factor (e) is the ". . . cost of living."

The District put into evidence Consumer Price Index data published by the federal government. The increase from August 1985 to August 1986, in the U.S. City Index for Urban Wage Earners and Clerical Workers was 1.2%. The increase in that period for "all urban consumers" was 1.6%. Whatever index is most appropriate, and however those figures bear on economic conditions in the Augusta area, it is clearly the case that the District's 5.0% salary increase is much closer to the change in the cost of living than is the Association's 6.35% proposed increase. Thus, in relationship to the cost-of-living factor, the District's offer is preferred.

Factor (f) is ". . . overall compensation presently received by the municipal employees . . ."

The District introduced its Exhibit 58 showing comparisons with the other Conference districts plus Osseo with regard to payment of health insurance, dental insurance, vision insurance, LTD, life insurance and State retirement. This exhibit indicates that the employees involved in this dispute are treated as well or better than the comparison districts in terms of non-salary compensation. With respect to longevity payments the District's provisions are superior to most of the comparison districts. The District sought to compare its total package costs with the package settlements of the other districts. The data presented are incomplete and not useful for making comparisons.

It is the arbitrator's opinion that factor (f) is not an issue in this case, since there is little to differentiate the parties' offers with respect to overall compensation outside of salary. Their dispute is mainly over salary. Examination of overall compensation does not lead the arbitrator to find either final offer clearly preferable to the other but there may be justification for the lower District longevity offer since its longevity payments are superior to most of the comparison districts.

Factor (g) "Changes in . . . circumstances during the pendency of the arbitration proceedings."

There is no dispute with respect to factor (g). This factor is noted, however, because one of the reasons given by the Association for favoring comparisons with districts in a 22-mile radius was that at the time of the hearing there were only a small number of settlements within the Conference and in the immediate area. However, the parties agreed at the hearing that all settlements received prior to the briefing date would be considered. During that period numerous additional settlements took place and an adequate number were then available for comparison purposes within the Conference and the contiguous districts. This agreement affected the comparison districts selected by the arbitrator, but consideration of factor (g) in and of itself does not persuade the arbitrator to prefer one final offer to the other.

Conclusion

As is evident from the preceding discussion, there is little basis for preferring one final offer to the other. Both final offers are reasonable. Nonetheless, it is the arbitrator's duty to select one offer. Since there is no clear preference based on comparisons (the District's offer

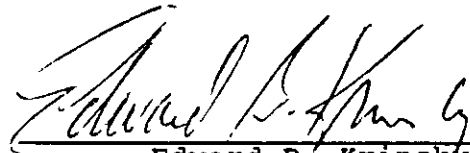
is relatively low, the Association's offer is relatively high but there is no clear preference), and the District's offer is preferable when compared to the cost-of-living increase and also has the effect of helping to keep down the District's relatively high level of taxation, it is the arbitrator's conclusion that the District's final offer should be implemented.

Based upon the above facts and discussion the arbitrator hereby makes the following

AWARD

The District's final offer is selected.

Dated at Madison, Wisconsin, this 28th day of September, 1987.



Edward B. Krinsky
Mediator-Arbitrator