

STATE OF WISCONSIN
BEFORE THE INTEREST ARBITRATOR

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WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

In the matter of the petition of

Dodgeland Education Association

to initiate Arbitration between
said Petitioner and

Dodgeland School District

Daniel Nielsen, Arbitrator

Case 14, No. 42158, INT/ARB-5239

Decision No. 26171-A

Appointment: 10/17/89

Hearing Date: 01/17/90

Record Closed: 03/05/90

Date of Award: 04/23/90

Appearances:

Mr. David Friedman, Attorney at Law, 30 West Mifflin Street, Suite 803, Madison, WI 53703, appearing on behalf of the Dodgeland School District.

Winnebagoland UniServ Unit-South, 325 Trowbridge Avenue, Fond du Lac, WI 54935, by **Mr. Armin Blaufuss**, Executive Director, appearing on behalf of the Dodgeland Education Association.

Arbitration Award

The Dodgeland Education Association (hereinafter referred to as the Association) and the Dodgeland School District (hereinafter referred to as the District or the Board) are parties to a collective bargaining agreement setting forth wages, hours and working conditions for all certified teaching personnel, not to include substitute teachers, in the District. An impasse was certified on September 15, 1989 in the negotiations for a successor contract covering the 1988-89 and 1989-90 school years. The undersigned was selected from a panel of arbitrators provided by the WERC, and was appointed by the Commission on October 17, 1989.

A hearing was held on January 17, 1990 at the high school in Juneau, Wisconsin at which time the parties were afforded full opportunity to present such testimony, exhibits, other evidence and arguments as were relevant to the dispute. Briefs were submitted, and the Association submitted a reply brief, which was received by the undersigned on March 5, 1990 whereupon the record was closed. Now, having considered the

evidence, the arguments of the parties, the statutory criteria, and the record as a whole, the undersigned makes the following arbitration award.

I. Background and Final Offers

The Dodgeland School District is a K-12 district located in Juneau, Wisconsin, the county seat of Dodge County. The District employed 54.9666 FTE teachers in 1987-88, 54.93 FTE in 1988-89 and 55.42 FTE in 1989-90. Dodgeland is part of the Eastern Suburban Athletic Conference, consisting of Cambridge, Deerfield, Hustisford, Johnson Creek, Marshall, Palmyra, Waterloo and Williams Bay. Until quite recently, Lake Mills was also a member of the athletic conference. Within Dodge County itself are located the school districts of Beaver Dam, Horicon, Hustisford, Lomira and Mayville. The parties have been to arbitration over their contract three times in the past -- in 1983 before Arbitrator Milo Flaten, in 1985 before Arbitrator Jay Grenig and in 1986 before Arbitrator Joseph Kerkman. In each of those cases, the parties litigated the question of whether the athletic conference or the Dodge County school districts should be the primary comparables. Comparability is an issue in this case as well.

The disputed substantive issues are the salary schedules for the 1988-89 and 1989-90 school years. The salary schedule is indexed to the BA Base, and neither party proposes to alter the schedule structure. The BA Base salary in 1987-88 was \$17,605. The Board proposes to increase the BA Base salary to \$18,205 in 1988-89 and \$ 18,600 in 1989-90. The Association proposes a 1988-89 Base of \$18,600 and a 1989-90 Base of \$19,550. The salary-only costs of these offers are:

	<u>% on Base</u>	<u>% salary increase per teacher</u>
Assoc. 1988-89	5.65%	7.1%
Board 1988-89	3.4%	4.93%
Assoc. 1989-90	5.1%	6.5%
Board 1989-90	2.2%	3.54%

The Association offer constitutes a 16.68% package increase over two years, while the District proposes an 11.99% increase over the same period.

II. Statutory Criteria

This dispute is governed by the terms of Section 111.70(4)(cm)7, the Municipal Employment Relations Act. MERA dictates that arbitration awards be rendered after a consideration of the following criteria:

"7. Factors considered. In making any decision under the arbitration

procedures authorized by this paragraph, the arbitrator shall give weight to the following factors:

- a. The lawful authority of the municipal employer.
- b. Stipulations of the parties.
- c. The interests and welfare of the public and the financial ability of the unit of government to meet the costs of any proposed settlement.
- d. Comparison of wages, hours and conditions of employment of the municipal employes involved in the arbitration proceedings with the wages, hours and conditions of employment of other employes performing similar services.
- e. Comparison of wages, hours and conditions of employment of the municipal employes involved in the arbitration proceedings with the wages, hours and conditions of employment of other employes generally in public employment in the same community and in comparable communities.
- f. Comparison of wages, hours and conditions of employment of the municipal employes involved in the arbitration proceedings with the wages, hours and conditions of employment of other employes in private employment in the same community and in comparable communities.

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

While each of the criteria is not fully discussed in this Award, each has been considered at arriving at the decision in this case.

III. Positions of the Parties

A. The Position of the Association

The Association places primary emphasis on comparisons with other teachers, while also arguing data concerning cost of living and overall compensation. In drawing salary comparisons, the Association urges that the school districts located within Dodge County be given greater emphasis than those in the Eastern Suburban Athletic Conference. The three past arbitrations between these parties have recognized the awkwardness of the Eastern Suburban Conference as a comparison group for contract negotiations. While the schools of the athletic conference have some validity for comparison, the conference is geographically dispersed and has shown instability in its makeup, with several schools withdrawing from the conference or only partially participating and a merger with the Dodge County conference imminent. The Dodge County school districts of Beaver Dam, Horicon, Hustisford, Lomira and Mayville are economically and geographically similar to Dodgeland, based as it is in the county seat,

and should be afforded status as the primary comparables for this proceeding.

The Association asserts that its salary proposal is fully supported by the comparables. Using a benchmark analysis, the salary proposal of the Association increases the cells of the schedule by 5.65% in 1988-89 and 5.1% in 1989-90, for a total of 10.75%. The Board's offer boosts the cells by 3.4% in the first year and 2.2% in the second, for a total of 5.6% over the two years. This compares to a range of increases among the primary comparables of 11.2%-11.9% for the two contract years and, among all districts, a range from 10.1% to 11.3%. The Association offer is below the settlement level for the primary comparables and at the mid-point of the settlements for all comparables. The District's offer, on the other hand, is approximately half of the settlement range. The unreasonableness of the District's position is highlighted by the fact that it would drop Dodgeland's teachers in rank among all districts at six of the seven benchmarks by the end of the contract. The Association offer, in contrast, maintains the relative ranking at every benchmark except the Schedule Maximum, where it improves by one notch.

The same pattern is apparent when percentage and dollar amount deviations from the average benchmark salaries in the primary comparables are considered. In 1987-88, the District lagged behind the average at every point except the BA Maximum, where it was only 0.64% above average. Both offers would erode the standing of the District's teachers, but the District offer has a far greater impact than that of the Association. While the picture is slightly brighter when all schools are included in the comparisons, the District position would still have a corrosive effect on the standing of the teachers, dropping them from slightly above average to significantly below average at five of seven benchmarks. The Association offer would slightly enhance the teachers' standing among the entire set of comparables.

Looking to comparisons of percentage and dollar per teacher increases among the comparables, the Association again argues that its offer is plainly preferable. While the parties are not in full agreement on the

correct figures for each comparable district, the Association's figures show:

1988-89 Dodge County schools ave.	+\$1,953 per teacher	+ 7.2%
1988-89 All comparables ave.	+\$1,731 per teacher	+ 6.6%
1988-89 Association Offer	+\$1,826 per teacher	+ 7.1%
1988-89 District Offer	+\$1,253 per teacher	+ 4.9%
1989-90 Dodge County schools ave.	+\$1,933 per teacher	+ 6.6%
1989-90 All comparables ave.	+\$1,840 per teacher	+ 6.7%
1989-90 Association Offer	+\$1,784 per teacher	+ 6.5%
1989-90 District Offer	+\$ 960 per teacher	+ 3.6%

The Association's offer is \$39, or 0.3%, above the overall average for two years. The final offer of the Board is \$1,358, or 4.8% below the overall average. The Association offer is obviously preferable.

Turning to the issue of increases in the CPI, the Association cites the familiar rule of thumb in interest arbitration that cost of living increases are but one factor to be considered, and that the weight given changes in the CPI should be determined by the level of voluntary settlements in comparable districts. This is particularly true in education, where national policy and market forces have favored increases above the cost of living in recent years. Given the parallel between the Association offer and the settlements in area school districts, the cost of living criterion should be deemed to support the offer of the Association.

The Association takes issue with the Board's attempt to transform this dispute from one over salary increases to an argument about insurance costs. The health insurance for the District increased by 37% in 1989-90, yet the Board made no proposal in its final offer regarding insurance. If insurance is the true concern of the Board, it is obligated to directly address that issue. The Association notes that the increases experienced by Dodgeland are not atypical, and that Dodge County schools have averaged higher increases per year over the period from 1986 through 1990 than has Dodgeland. While available data for the athletic conference is limited to the 87-88, 88-89 and 89-90 school years, it shows pretty much the same

picture, with Dodgeland experiencing a premium increase over the three years of only 2.8% annually over the conference average. Any argument that the District is somehow justified in offering a substandard wage increase because of high insurance premiums must take into account the increases experienced elsewhere, and the fact that the wages in other districts were not slashed.

Granting that the insurance benefit is quite good in the District, the Association argues that the total compensation received by the teachers, including insurance, is below the standard set by other Dodge County districts. While the insurance benefits may add \$387.84 above the County average to the compensation of a teacher taking family health and dental coverage, the deficiency in salaries even under the Association's offer more than eliminates this advantage. District teachers will still lag behind their counterparts in other Dodge County districts by as much as \$2,300 in average total compensation if they prevail in this proceeding.

The Association notes that the actual salary cost to the District of the Association's offer is only 6.0% in 1988-89 and 4.3% in 1989-90. While actual costs are not typically considered except in cases where ability to pay is in issue, the District's apparent determination to rely upon package cost arguments makes it appropriate to at least acknowledge the lower actual costs in this case.

Turning to total package costs, the Association characterizes its position as requiring a 16.7% increase over two years. The Board offer will increase the compensation package by 12.0%. These compare to an average increase among other Dodge County school districts of 15.6%, and among all comparable districts of 15.0%. Again, even when total package costs are considered, the Association's offer is obviously more reasonable. This view is reinforced by an historical view of salary and fringe benefit percentage cost increases in Dodge County districts from 1985-86 through 1989-90, which shows salary increases and health insurance cost increases in County districts that exceed the increases in both areas realized by Dodgeland teachers.

For all of the foregoing reasons, the Association urges acceptance of its final offer.

B. The Position of the District

At the outset, the Board addresses the problem of comparability, noting that the issue remains unresolved after three arbitrations, and likely will remain unresolved after the fourth. The Board relies on the schools in the Eastern Suburban Athletic Conference because they share common characteristics, including numbers of pupils, size of staff, cost per pupil, equalized valuation and geographical proximity. The Association claims to rely on comparisons with the school districts within Dodge County. This claim is inaccurate, since some schools -- Randolph, Waupun, Fall River, Columbus, Watertown, Oconomowoc and Hartford Union High School -- are excluded from the comparison, even though they lie partially within the County. The picking and choosing of schools by the Association severely weakens their claim that primary weight should be given to "Dodge County schools."

As a practical matter, the parties are each focusing on the set of schools which is most advantageous for them. Past arbitrators have relied upon a mix of the athletic conference and County schools, and the District concludes that the arbitrator in this case should acknowledge the historical reliance of the two parties on different sets of primary comparables during the bargaining process and refrain from establishing a primary set of comparables.

The Board next addresses a procedural point, which it asserts the Association has attempted to raise sub rosa, and which has a significant impact on bargaining table behavior. The Association has characterized its offer in terms of a per cell adjustment, ignoring the historical practice of bargaining an increase in the base salary and allowing the index to distribute the money through the schedule. While the monetary impact is nil, the point has strategic importance in the future, and the District urges that the arbitrator should not carelessly adopt a terminology which may later be cited as justification for changing the mutually accepted ground rules for bargaining.

On the issue of 1988-89 salaries, the Board points to the average and median base increases in the Eastern Suburban Conference between 1987-88 and 1988-89. In 1987-88, the average base salary in the conference was \$16,792, led by Dodgeland at \$17,605. The conference median was \$16,850. In 1988-89, the conference average increased to \$17,432, with the median rising to \$17,344. When the comparability group is expanded to include Beaver Dam, Horicon, Lomira and Mayville, the average for 1987-88 soars to \$18,764, while the median rises only modestly, to \$16,920. In 1988-89, the expansion of the comparability group yields a similar result, with the average going to \$18,681 and the median to \$17,588. The dramatic change in averages achieved by incorporating the non-conference schools shows the parties' traditional bargaining reliance on conference comparisons. If the conference were not the focus for bargaining, the District's salary schedule would more likely reflect the near \$20,000 base in the Dodge County schools than the \$17,432 conference average.

The District argues that its offer is well in excess of the average BA base in the conference for 1988-89. If benchmark rankings are used, the two final offers are virtually indistinguishable, even using the combined comparables. Comparisons with the conference at the BA Base favor selection of the District offer, while benchmark rankings show both offers to be reasonable. Thus the District position should be favored at the BA Base.

The Board maintains its leadership at the BA Maximum within the conference, exceeding the average and the median. This result is unchanged if the non-conference schools are added into the equation. The Association's offer is well in excess of the average and the median. Again, the District's position should be favored. The advantage enjoyed by the District at the BA benchmarks is particularly significant because over half of the staff in Dodgeland Schools are in the BA columns, and the parties have traditionally directed their resources into this portion of the schedule.

In 1989-90, the Board's offer does not compare well with the settled districts, owing to the huge increase in insurance premium costs which reduced monies that otherwise might have been devoted to salaries. The average cost of health insurance across the comparables in 1988-89 was \$94.25 for single coverage and \$247.60 for family coverage. In Dodgeland, the costs were \$105.48 and \$264.83, respectively. Given 11.633 FTE's receiving single insurance and 41.333 receiving family coverage, Dodgeland paid \$10,114.25 more than the average in the 1988-89 school year, or \$184.01 per teacher. Average dental insurance costs were \$12.13 and \$37.39 for single and family coverages, while Dodgeland paid \$16.39 and \$43.06. The annual excess cost was \$3,459.05, or \$62.93 per teacher. Excess insurance costs in 1988-89 totaled \$246.94.

In 1989-90, the average insurance costs were \$115.88 per month for single coverage, and \$306.83 for family coverage. In Dodgeland, the monthly premiums were \$144.51 and \$362.82. The yearly excess cost for health insurance is \$31,767.75, or \$577.95 per teacher. Dental premiums averaged \$13.27 for single plans and \$40.07 for family coverage. Dodgeland's premiums were \$16.39 and \$43.06 respectively. The excess annual dental insurance costs were \$1,911.67, or \$34.78 per teacher. Total excess insurance costs in 1989-90 were worth \$612.73 per teacher.

Neither party has proposed to change the very fine insurance benefit that District employees enjoy, but the cost of the insurance benefit is a part of the total economic package. The Board argues that more moderate insurance costs would have allowed a substantially higher salary offer placing the Board approximately at the average for other schools in the comparable grouping. The Association's offer, if insurance is calculated in salary dollars, is 50% more than the average. The statute requires that total compensation be considered, and inclusion of the insurance costs plainly makes the Board's offer the more reasonable in this proceeding.

Finally, the Board asserts that the Association has engaged in Boulwarism in this round of bargaining. The final offer of the Association is identical to their initial proposal for bargaining, except for a \$100 reduction in base salary for 1989-90. This refusal to make any concession during the

bargaining is relevant under factor "j" of the statute -- other factors normally taken into consideration" -- and should weigh against the Association.

For all of the foregoing reasons, the Board urges adoption of its final offer.

C. The Association's Reply Brief

In reply to the Board, the Association notes that the Dodge County school districts relied upon by past arbitrators lie almost entirely within the County. The reason the other districts cited by the Board have not been included in the Dodge County comparables is that 50% or more of their area lies outside of the County.

The District's concern regarding how the salary increase is characterized is a non-issue. The fact is that an indexed schedule will result in a standard per cell increase when the base is increased. Whether it is termed a per cell increase or an increase in the base, the effect is the same.

The District's argument that the majority of the teachers are found in the BA lane reflects the fact that this schedule has only four lanes. This substandard structure has been commented upon in the past by Arbitrator Kerkman, who noted that it substantially reduced the earnings opportunities of District teachers. The Association's attempt to remedy this problem was rejected by Arbitrator Grenig.

The Association argues that the Board's claim that it cannot pay for both insurance increases and substantial salary increases is unsupported by the evidence. The Association notes that there is no evidence in this case regarding inability to pay or the interests of the public.

On the Board's claim of "Boulwarism", the Association asserts that its initial position was formulated in October of 1988, when that year's settlement pattern was already clear. The position was taken to expedite bargaining, rather than for any bad faith reason. The Association points to

the fact that the Board has other legal remedies available to it if it truly believes that a refusal to bargain has taken place.

IV. Discussion

A. Comparables

The dispute over comparability springs in part from the arguably inconsistent rulings of three past arbitrators on the subject, and in part from the fact that the Dodge County grouping favors the Association's position, while the athletic conference comparison group improves the District's chances of prevailing. Arbitrator Flaten was the first to discuss comparability, in his 1983 Award. Arbitrator Flaten accepted the Association's argument that the Dodge County schools were a more appropriate comparison group, because "Dodge County has the most homologous economic and sociological characteristics."¹ Two years later, Arbitrator Grenig noted that a prior award was persuasive, but not controlling, as to the appropriate comparables. Citing the lack of settlements within the Dodge County grouping, he established an expanded comparables set consisting of Cambridge, Deerfield, Johnson Creek, Lake Mills, Marshall, Waterloo, Beaver Dam, Horicon, Lomira and Mayville. He excluded Johnson Creek and Hustisford from consideration because no settlement had been reached in those districts.² Finally, Arbitrator Kerkman issued his award in November of 1986, wherein he combined the comparable groupings relied upon by Arbitrators Flaten and Grenig.³

The dispute in this proceeding centers on which grouping, Dodge County Schools or schools drawn from the Eastern Suburban Athletic Conference, should be treated as primary comparables. The parties effectively acknowledge that all of the schools considered by Arbitrator Kerkman have some bearing on their bargain, but ask that greater emphasis be placed on

¹ Dodgeland School District, Case VI, No. 30289, MED/ARB-1878, (Flaten, 8/83) at page 4.

² Dodgeland School District, Decision No. 21983-B, (Grenig, 4/85) at pages 4-5.

³ Dodgeland School District, Decision No. 23378-B, (Kerkman, 11/86) at pages 2-3.

those favoring their respective positions.⁴ The undersigned can see no basis in the record for dividing the comparables into primary and secondary sets. The Grenig Award expanded on the Dodge County comparables used by Arbitrator Flaten because the lack of settlements in Dodge County at the time made the Dodge County schools an unreliable basis for a decision. In so doing, he relied upon athletic conference schools, which is a standard basis for comparison in interest arbitration, excluding only Palmyra and Williams Bay because of their substantially different sizes and equalized values. He gave no indication that he had in any way prioritized the schools within the comparable grouping. Thereafter, the parties had the right to rely upon that expanded grouping for guidance in their negotiations. Arbitrator Kerkman ratified that decision, accepting the entire set of schools used by Arbitrator Grenig, which included the Dodge County schools initially used by Arbitrator Flaten.⁵ Like Grenig before him, Arbitrator Kerkman gave no indication that there was a primary/secondary distinction among the comparables. This state of affairs will not be disturbed by the fourth arbitrator to consider the issue. At some point, the comparables for a district must be treated as settled if there is to be any stability to a bargaining relationship. While the parties are free to focus on whichever grouping they wish in voluntary collective bargaining, for the purposes of arbitration, the undersigned views the Kerkman Award as dispositive on the issue of comparability, and concludes that the appropriate comparables for the Dodgeland School District are:

Beaver Dam	Cambridge	Deerfield
Horicon	Hustisford	Johnson Creek
Lomira	Marshall	Mayville
Waterloo		

⁴Neither party relies on Lake Mills, which is outside of Dodge County and has left the Eastern Suburban Athletic Conference. Accordingly, Lake Mills is not treated as a comparable.

⁵ While Grenig discounted Johnson Creek and Hustisford, he did so because they were not settled at the time of his Award, not because they were not comparable. Arbitrator Kerkman was not explicit about the school districts presented to him, but the undersigned assumes for this proceeding that he accepted Hustisford, as one of the original Flaten comparables, and Johnson Creek as one of the Grenig comparables.

**B. Criterion "d" - Comparisons With Other Teaching
Personnel**

The following tables distill the information concerning the settlements in the comparable districts contained in District Exhibits 8-17 and 27, and Association Exhibits 10, 30, 32, 35, 37 and 47, and compare the settlements in the comparable districts with the final offers in Dodgeland:

Step: BA Base	<u>1987-88 / [Rank]</u>	<u>1988-89 / [Rank]</u>	<u>1987-88 / [Rank]</u>	<u>1989-90 / [Rank]</u>
Beaver Dam	18,800 [3]	20,275 [1]		NS
Cambridge	16,684 [9]	17,362 [9]		NS
Deerfield	15,950 [11]	16,810 [11]	15,950 [8]	17,695 [8]
Horicon	18,850 [2]	20,075 [2]	18,850 [2]	21,048 [1]
Hustisford	17,204 [6]	18,210 [5/6]		NS
Johnson Creek	16,855 [7]	17,325 [7]	16,855 [5]	18,000 [7]
Lomira	19,096 [1]	20,050 [3]	19,096 [1]	21,040 [2]
Marshall	16,850 [8]	17,600 [8]	16,850 [6]	18,700 [5/4]
Mayville	18,309 [4]	19,315 [4]	18,309 [3]	20,416 [3]
Waterloo	16,578 [10]	17,300 [10]	16,578 [7]	18,500 [6]
Average (% Base Yr.)	17,518	18,432 (105.22%)	17,499	19,342 (110.53%)
Average Dollar Increase		\$914		\$1,843
Dodgeland (% of Average)	17,605 [5] (100.50%)		17,605 [4] (100.61%)	
Association Offer (% of Average)		18,600 (100.91%)		19,550 (101.07%)
[Rank] Change in Rank		[5] -0-		[4] -0-
Dollar Increase / +/- Average		\$995 / +\$81		\$1,945 / +\$102
% of Base Year		105.65%		111.05%
District Offer (% of Average)		18,205 (98.77%)		18,600 (96.2%)
[Rank] Change in Rank		[6] -1		[5] -1
Dollar Increase / +/- Average		\$600 / -\$314		\$995 / -\$848
% of Base Year		103.41%		105.65%

Step: BA Max	<u>1987-88</u>	<u>1988-89</u>	<u>1987-88</u>	<u>1989-90</u>
Average (% Base Yr.)	24,655	25,780 (104.56%)	23,587	25,826 (109.49%)
Average Dollar Increase		\$1,125		\$2,239
Dodgeland (% of Average)	25,527 [4] (103.54%)		25,527 [2] (108.22%)	
Association Offer (% of Average)		26,970 (104.62%)		28,348 (109.76%)
[Rank] Change in Rank		[4] -0-		[2] -0-
Dollar Increase / +/- Average		\$1,443 / +\$318		\$2,821 / +\$582
% of Base Year		105.65%		111.05%
District Offer (% of Average)		26,397 (102.39%)		26,970 (104.43%)
[Rank] Change in Rank		[5] -1		[3] -1
Dollar Increase / +/- Average		\$870 / -\$255		\$1,443 / -\$796
% of Base Year		103.41%		105.65%
Step: MA Min	<u>1987-88</u>	<u>1988-89</u>	<u>1987-88</u>	<u>1989-90</u>
Average (% Base Yr.)	20,010	21,074 (105.32%)	20,075	22,209 (110.63%)
Average Dollar Increase		\$1,064		\$2,134
Dodgeland (% of Average)	19,718 [5] (98.54%)		19,718 [4] (98.22%)	
Association Offer (% of Average)		20,832 (98.85%)		21,896 (98.59%)
[Rank] Change in Rank		[5] -0-		[4] -0-
Dollar Increase / +/- Average		\$1,114 / +\$50		\$2,178 / +\$44
% of Base Year		105.65%		111.05%
District Offer (% of Average)		20,390 (96.75%)		20,832 (93.80%)
[Rank] Change in Rank		[6] -1		[6] -2
Dollar Increase / +/- Average		\$672 / -\$392		\$1,114 / -\$1,020
% of Base Year		103.41%		105.65%

Step: MA Max	<u>1987-88</u>	<u>1988-89</u>	<u>1987-88</u>	<u>1989-90</u>
Average (% Base Yr.)	30,599	32124 (104.99%)	30,106	33,144 (110.09%)
Average Dollar Increase		\$1,525		\$3,038
Dodgeland (% of Average)	30,017 [7] (98.10%)		30,017 [4] (99.70%)	
Association Offer (% of Average)		31,713 (98.72%)		33,333 (100.57%)
[Rank] Change in Rank		[7] -0-		[4] -0-
Dollar Increase / +/- Average		\$1,696 / +\$144		\$3,316 / +\$278
% of Base Year		105.65%		111.05%
District Offer (% of Average)		31,040 (96.63%)		31,713 (95.68%)
[Rank] Change in Rank		[7] -0-		[5] -1
Dollar Increase / +/- Average		\$1,023 / -\$502		\$1,696 / -\$1,342
% of Base Year		103.41%		105.65%

Step: Schedule Max	<u>1987-88</u>	<u>1988-89</u>	<u>1987-88</u>	<u>1989-90</u>
Average (% Base Yr.)	32,902	34,555 (105.02%)	32,153	35,451 (110.26%)
Average Dollar Increase		\$1,653		\$3,298
Dodgeland (% of Average)	31,865 [8] (96.85%)		31,865 [5] (99.10%)	
Association Offer (% of Average)		33,666 (97.43%)		35,386 (99.82%)
[Rank] Change in Rank		[7] +1		[4] +1
Dollar Increase / +/- Average		\$1,801 / +\$148		\$3,521 / +\$223
% of Base Year		105.65%		111.05%
District Offer (% of Average)		32,951 (95.36%)		33,666 (94.50%)
[Rank] Change in Rank		[8] -0-		[6] -1
Dollar Increase / +/- Average		\$1,086 / -\$567		\$1,801 / -\$1,497
% of Base Year		103.41%		105.65%

While the offer of the Association slightly improves the position of the Dodgeland faculty relative to the peer group in both years of the contract, the District's offer works a substantial erosion of the relative standing at each of the benchmarks analyzed. The erosion takes place in both contract years, but this effect is most pronounced in the second year of the contract, where the Dodgeland salaries would improve by approximately .75% relative to average under the Association's offer and fall away from the average by approximately 4.4% under the District's offer. The District's offer drops each listed benchmark by at least one ranking among the comparables in 1989-90, while the Association's offer improves the ranking only at the Schedule Maximum, maintaining the status quo at all other steps.

Consideration of criterion "d" favors the final offer of the Association on salary in both years of the contract.

C. Criterion "h" - Total Compensation

The primary argument of the District in this proceeding is that the lower than normal salary offer is justified by the larger than normal insurance costs in both years of the agreement. The following table shows that the contribution for health and dental insurance in Dodgeland, over and above that paid on average among the comparables, amounted to \$119 per teacher in the 1988-89 contract year and \$496 per teacher in the 1989-90 contract year.

<u>Employer Health Insurance Contributions</u> ¹	1987-88 Contract Year			1988-89 Contract Year			1989-90 Contract Year		
	Family	/	Single	Family	/	Single	Family	/	Single
Beaver Dam	261	/	101	253	/	97	352	/	135
Cambridge	217	/	86	248	/	95	301	/	115
Deerfield	210	/	81	249	/	95	301	/	115
Horicon	207	/	80	267	/	103	315	/	120
Hustisford	203	/	79	266	/	102	328	/	125
Johnson Creek	196	/	71	235	/	85	294	/	106
Lomira	197	/	77	255	/	97	314	/	120
Marshall	237	/	89	273	/	103	324	/	123
Mayville	240	/	94	279	/	107	367	/	140
Waterloo	224	/	88	278	/	103	278	/	103
Average	219	/	85	260	/	99	318	/	121
% of Base Year	100%		100%	118.72%		116.47%	145.21%		142.35%
Dodgeland	223	/	77	265	/	105	363	/	145
% of Average	101.83%		90.59%	101.92%		106.06%	114.15%		119.83%
% of Base Year	100%		100%	118.83%		136.36%	162.78%		188.31%
+/- Average monthly	+\$4		-\$8	+\$5		+\$6	+\$45		+\$24
Average annual excess per teacher ^{2/3}		\$1			\$44			\$451	
<u>Employer Dental Insurance Contributions</u> ⁴				1988-89 Contract Year			1989-90 Contract Year		
				Family	/	Single	Family	/	Single
Average				36	/	12	39	/	13
Dodgeland				43	/	16	43	/	16
+/- Average monthly				+\$7	/	+\$4	+\$4	/	+\$3
Annualized excess per teacher ⁵					\$75			\$45	

¹ Rounded to the nearest whole dollar. Data drawn from Association Exhibits 49, 50 and 53, and District Exhibits 18 and 20
² This figure takes into account the difference in the base year, yielding the impact of increases across the contract term.
³ Per teacher figure calculated using FTE insurance enrollment data from District's brief.
⁴ 1987-88 Premiums for the comparable districts are not available in the record.
⁵ Per teacher figure calculated using FTE insurance enrollment data from District's brief.

Applying these figures to the benchmarks increases shown above, the offers vary from the average as follows:

	1988-89 <u>Assoc / District</u>	1989-90 <u>Assoc / District</u>
BA Base	+\$200 / -\$195	+\$553 / -\$397
BA Max	+\$437 / -\$136	+\$1033 / -\$318
MA Min	+\$169 / -\$273	+\$495 / -\$525
MA Max	+\$263 / -\$383	+\$774 / -\$846
SchedMax	+\$267 / -\$448	+\$719 / -\$1001

Inclusion of the insurance overage makes the District's offer far more competitive than consideration of salary increases alone. In the first year, the Association's offer is slightly preferable, as it more closely reflects the settlement levels in surrounding districts. The second year yields a virtual stalemate, as the Association greatly exceeds the norm at the BA Maximum, while the District varies further from the comparables at the majority of the listed benchmarks.

Taking total package comparisons, the District claims an 11.99% total package over the two years, with an Association package increase of 16.68%. The District's calculations show an average increase for the comparables of 14.76%. The Association hotly contests the District's computations, claiming that the package increase for comparable districts across the two years is 15.0%. Whichever figure one accepts, the Association's package increase is more in line with the rate of increase in total compensation than is the offer of the District.

Consideration of criterion "h" slightly favors the final offer of the Association.

VI. Conclusion

While much of the argument in this case focuses on insurance costs, the only issue presented is the amount of salary increase for 1988-89 and 1989-90. Comparison of the increase proposed in Dodgeland with those received by teachers in comparable communities favors selection of the Association's offer. Moreover, while inclusion of the insurance costs is legitimate under criterion "h" of the statute, and makes consideration of total compensation a closer question than the increase in salary alone, the overall package increase proposed by the Association is more reasonable than that proposed by the district when measured against the package increases in compensation for similarly situated teachers.

On the basis of the foregoing, and the record as a whole, the undersigned makes the following

AWARD

The final offer of the Association shall be incorporated into the collective bargaining agreement for school years 1988-89 and 1989-90, together with the stipulations reached in bargaining.

Signed this 23rd day of April, 1990, at Racine, Wisconsin:

Daniel Nielsen
Arbitrator