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In the Matter of Final and Binding :
Final Offer Arbitration between :
WEST CENTRAL EDUCATION ASSOCIATION - :
GLENWOOD CITY SUPPORT STAFF :
and :
GLENWOOD CITY SCHOOL DISTRICT :
WERC Case 18 No. 54517 : **Decision No. 26944-A**
INT/ARB-5975 :

**WISCONSIN EMPLOYMENT
RELATIONS COMMISSION**

AWARD

I. NATURE OF PROCEEDINGS. This is a proceeding in final and binding final offer interest arbitration under Section 111.70 (4) (cm) 6 and 7 of the Wisconsin Statutes. On March 7, 1991, the West Central Education Association (Association) filed a petition with the Wisconsin Employment Relations Commission alleging an impasse between itself and the Glenwood City School District (District) in collective bargaining in a unit consisting of all regular full-time and regular part-time non-professional employees.

The Commission investigated through staff member Karen J. Mawhinney. It found that the parties were at impasse and had not established mutually agreed upon procedures for final resolution of the dispute.

The Commission concluded that the parties had substantially complied with the procedures set forth in Section 111.70 (4) (cm) of the Municipal Employment Relations Act prior to initiation of arbitration and that an impasse within the meaning of Section 111.70 (4) (cm) 6 of the Municipal Employment Relations Act existed. It certified that conditions precedent to arbitration as required by the Act existed, and therefore ordered arbitration. This Order was given on July 23, 1991.

The parties having selected Frank P. Zeidler as arbitrator, the Commission appointed him on August 15, 1991.

II. HEARING. A hearing in the above entitled matter was held on November 8, 1991, in the Glenwood City School District offices at Downing, Wisconsin. Parties were given full opportunity to give testimony, present evidence and make arguments. Briefs and reply briefs were filed. The last reply brief was received by the arbitrator on January 15, 1992.

III. APPEARANCES.

JEFFREY L. ROY, Executive Director, West Central Education Association appeared for the Association.

KATHRYN J. PRENN, Attorney, WELD, RILEY, PRENN & RICCI, appeared for the District.

IV. FINAL OFFERS. The final offers of the parties are as follows:

FINAL OFFER
FROM
WCEA-GLENWOOD CITY SUPPORT STAFF
TO THE
SCHOOL DISTRICT OF GLENWOOD CITY

June 25, 1991

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WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

ARTICLE XXI - WAGES - SALARY SCHEDULE

1990-91 - increase wage rates by 4%, including Bobbi Erickson

1991-92 - increase wage rates by 4%, including Bobbi Erickson

SIDE LETTER OF AGREEMENT

Add a Side Letter of Agreement to read as follows:

This Agreement is entered into by and between the School District of Glenwood City ("Board" or "District") and the West Central Education Association - Glenwood City Auxiliary Unit ("Union").

The parties hereby agree to the following:

1. For 1991-92, all custodial employees shall be scheduled for at least the same number of regular hours as they worked during 1990-91, including the Saturday rotation, provided the District is operating the same facilities as during the 1990-91 year.
2. Neither the content of this Agreement nor its existence shall have any precedential value on future contract administration or collective bargaining between the parties.
3. This Agreement shall expire and evaporate on June 30, 1992.

Any tentative agreements

All other contract terms - no change

SCHOOL DISTRICT OF GLENWOOD CITY

FINAL OFFER

TO THE

WCEA-GLENWOOD CITY AUXILIARY UNIT

FOR A 1990-92 AGREEMENT

1. Except as provided in this Final Offer, the terms and conditions of the 1988-90 Agreement shall become the terms and conditions of the 1990-92 Agreement.
2. All tentative agreements, excluding the proposed Side Letter of Agreement.

3. ARTICLE XXI - WAGES - SALARY SCHEDULE

1990-91:

- a. Delete Step O.
- b. Increase each remaining step by 1.5%.
- c. All employees who are not at the top of the schedule shall receive an increment.
- d. Increase the wage rate for Bobbi Erickson 4.0%.

1991-92:

- a. Increase each step by 1.5%.
- b. All employees who are not at the top of the schedule shall receive an increment.
- c. Increase the wage rate for Bobbi Erickson 4.0%.

4. SIDE LETTER OF AGREEMENT

Add a Side Letter of Agreement to read as follows:

This Agreement is entered into by and between the School District of Glenwood City ("Board" or "District") and the West Central Education Association - Glenwood City Auxiliary Unit ("Union").

The parties hereby agree to the following:

1. For 1991-92, all custodial employees shall be scheduled for at least the same number of regular hours as they worked during 1990-91, including the Saturday rotation, provided the District is operating the same facilities as during the 1990-91 year.
2. Neither the content of this Agreement nor its existence shall have any precedential value on future contract administration or collective bargaining between the parties.

3. This Agreement shall expire and evaporate on June 30, 1992.

Dated this 13th day of July, 1991.

ON BEHALF OF THE DISTRICT

By: Kathryn J. Prenn
Kathryn J. Prenn

V. FACTORS TO BE WEIGHED BY THE ARBITRATOR.

"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 the 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 the 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 the 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 and stability of employment, and all other benefits received.

"i. Changes in any of the foregoing circumstances 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, factfinding, arbitration or otherwise between the parties, in the public service or in private employment."

VI. THE LAWFUL AUTHORITY OF THE EMPLOYER. There is no issue here as to the lawful authority of the Employer to meet the terms of either offer.

VII. STIPULATIONS OF THE PARTIES. The parties have stipulated to all other matters between them.

VIII. **COMPARABLE DISTRICTS.** The parties are agreed in using school districts within the St. Croix-Dunn Counties Athletic Conference.

IX. **COST OF THE OFFERS.** This is a matter of only one issue - wages. The following tables on total costing are derived from Association Exhibits 51 and 52.

Table I

| ASSOCIATION ESTIMATE OF COSTING 25 EMPLOYEES FT OR PT | | | | | |
|---|-------------------|---------------|--------------------|---------------------|-------------------|
| <u>Assn. Offer</u> | | | | | |
| <u>Year</u> | <u>Wages Only</u> | <u>% Inc.</u> | <u>Dept. Heads</u> | <u>Total w/o OT</u> | <u>Total w OT</u> |
| 90/91 | \$320,838 | 7.61 | \$8,952 | \$329,790 | \$343,283 |
| 91/92 | 324,626 | 7.32 | 8,952 | 333,578 | 368,421.99 |
| <u>District Offer</u> | | | | | |
| 90/91 | \$320,838 | 5.24 | \$8,952 | \$329,790 | |
| 91/92 | 317,164 | 4.96 | 8,952 | 326,116 | \$352,396 |

Summaries provided in Association Exhibits 51 and 52 provide somewhat different costs. These are shown in the following table.

Table II

| ASSOCIATION ESTIMATE OF GRAND COSTING | | | | | | |
|---------------------------------------|-------------|---------------|---------------|------------------|---------------|--|
| | <u>Year</u> | <u>Salary</u> | <u>% Inc.</u> | <u>All Costs</u> | <u>% Inc.</u> | <u>Total Package at 2 Years % Inc.</u> |
| Actual Association | 1989-90 | \$319,017 | | \$412,425 | | |
| | 1990-91 | 343,283 | 7.61 | 449,698 | 9.04 | |
| | 1991-92 | 368,422 | 7.32 | 484,872 | 7.82 | 16.86 |
| Actual District | 1989-90 | 319,017 | | 412,425 | | |
| | 1990-91 | 335,740 | 5.24 | 441,540 | 7.06 | |
| | 1991-92 | 352,396 | 4.96 | 470,284 | 6.51 | |

The following is a summary of total costs as stated by the District in Exhibits 13A-13E which includes hours attributable to head custodian, transportation director and head cook.

Table III

COSTS ESTIMATED BY DISTRICT WITH SUPERVISOR'S HOURS

| | <u>Year</u> | <u>Salary</u> | <u>% Inc.</u> | <u>Total Package</u> | <u>% Inc.</u> |
|-------------|-------------|---------------|---------------|----------------------|---------------|
| Actual | 1989-90 | \$306,575 | | \$436,136 | |
| District | 1990-91 | 323,075 | 5.38 | 467,890 | 7.28 |
| | 1991-92 | 339,227 | 5.00 | 494,564 | 5.70 |
| Association | 1990-91 | 330,443 | 7.79 | 477,015 | 9.37 |
| | 1991-92 | 354,529 | 7.29 | 512,873 | 7.52 |

The District over-all dollar costs are higher in that they show WRS costs whereas the Association costings do not.

The District otherwise relies chiefly on percentages reported in Revised Exhibits 10-13, from which this table is extracted.

Table IV

COSTS ESTIMATED BY DISTRICT ON INCREMENT AND PERCENTAGE INCREASES

| | <u>Year</u> | <u>Salary</u> | <u>% Inc.</u> | <u>Total Package</u> | <u>% Inc.</u> |
|-------------|-------------|---------------|---------------|----------------------|---------------|
| District | 1990-91 | \$314,123 | 5.54 | \$457,206 | 7.46 |
| | 1991-92 | 330,276 | 5.14 | 483,854 | 5.83 |
| Association | 1990-91 | 321,491 | 8.02 | 466,322 | 9.60 |
| | 1991-92 | 345,577 | 7.49 | 502,162 | 7.69 |

Association Exhibit 5 shows that the cost of increments alone in 1990-91 was 3.61% and in 1991-92 it was 3.32% for the Association offer. The cost of increments alone under the District offer for 1990-91 would be 3.74% and in 1991-92 3.46%.

X. COMPARISON OF WAGES. In the instant matter there is a special difficulty of making wage comparisons arising from the fact that Glenwood City has a unique type of schedule for its support staff. All support staff, whatever their position or title, are in the same step schedule, a schedule which under the Association offer would have 14 steps and under the District offer 13 steps. The District is proposing that the step called "0" (zero) is to be eliminated. This step schedule has been in existence since 1986-87.

In the Dunn, St. Croix, Pierce and Pepin county districts, some districts have a unionized support staff. The steps in the schedules in those districts are not as many, nor the years to reach the top as many, as in Glenwood City. In Spring Valley there are 11 steps and it takes 11 years to reach maximum. It takes Boyceville custodians eight years to reach the maximum through eight steps. Elsewhere steps are fewer and maximums reached sooner.

In the non-unionized support staff, the classifications have their own wage levels, and in none of the systems are all support staff placed in the same extended salary step schedule regardless of classification as in the case of Glenwood City. The Glenwood City support staff schedule has resemblances to the salary schedule commonly associated with professional teaching staff.

For the foregoing reason it is difficult to make comparisons of Glenwood City employees with other support staff doing the same kind of work.

The following table is derived from Association Exhibits 22 and 23.

Table V

SETTLEMENT COMPARISON FOR DUNN-ST. CROIX SCHOOLS

Union

| <u>District</u> | <u>1990-91</u> | <u>1991-92</u> |
|-----------------|-------------------------|----------------|
| Colfax | 4.7% | 5-7% |
| Spring Valley | WRS or 4% | |
| Elmwood | 4% with some at 10% | 4.5% |
| Boyceville | | |
| Food Service | 2% plus new benefits | 4% |
| Custodian | 5% | 5% |
| Teacher's Aides | 4% with some at 14% | 4-7% |

Non-Union

| | | |
|--------------------|-------------------|------------|
| Arkansaw | 5% | 5% |
| Plum City | 5% | 5% |
| Colfax Bus Drivers | 5% | 5% |
| St. Croix Central | 4.75% | 5% |
| Prescott | 2% & WRS or 5% | 2-5% |
| Elk Mound | 5-7% | 4.76-8.05% |

The District has listed in its exhibits average increases in cents/hour for support staff in ten conference districts. These districts have ranges of increases in 1990-91 from \$0.13 per hour to \$0.63 per hour. The average is \$0.38 per hour. The District offer comes to \$0.41 per hour in 1990-91 while the Association offer is at \$0.59 per hour.

In 1991-92 the conference average is \$0.38 per hour, the District offer is \$0.40 cents per hour and the Association offer is at \$0.59 per hour.

In 1990-91 the Association offer is second high in rank among 11 districts; the District offer is fourth. In 1991-92 the Association offer in cents increase per hour is first in rank among 11 districts, the District offer is sixth.

The District in its brief (at 13) has made a table of average increases in the conference districts in 1990-91. The average conference increase was 5.25%. In 1991-92 the average conference increase was 4.85%. The District offer in 1990-91 comes to a 6.31% increase and in 1991-92 to a 5.77% increase. The Association offer in 1990-91 comes to an 8.89% increase while in 1991-92 it comes to an 8.18% increase.

In 1990-91 the District offer in percentage increase was third in rank. The Association offer was second. In 1991-92 the District offer was again third in rank, and the Association offer was first.

Here it must be noted most districts do not have a step wage schedule for support staff. Such schedules existed in Elmwood and Spring Valley for all support staff, in Boyceville for all support staff except secretaries and bookkeepers, and in Colfax for secretaries, custodians and cooks, but not for aides and bookkeepers. (ER 38 Revised).

Another method employed by the District in comparisons is that of minimum and maximum salaries paid to various classifications. The following table is derived from District Exhibits 39 Rev., 40 Rev., 41, 42, 43 and 44.

Table VI

AVERAGE OF CONFERENCE SALARIES MINIMUMS AND MAXIMUMS
COMPARED TO OFFERS IN GLENWOOD CITY

| <u>Position</u> | <u>1990-91</u> | | <u>1991-92</u> | | <u>Years to Max.</u> |
|-----------------|----------------|-------------|----------------|-------------|----------------------|
| | <u>Min.</u> | <u>Max.</u> | <u>Min.</u> | <u>Max.</u> | |
| Secretary | | | | | |
| Conf. Aver. | 7.05 | 8.63 | 7.42 | 8.90 | |
| District | 5.73 | 9.29 | 5.82 | 9.43 | 13 |
| Assn. | 5.36 | 9.52 | 5.57 | 9.90 | 14 |
| Custodian | | | | | |
| Conf. Aver. | 6.36 | 8.43 | 6.50 | 8.84 | |
| District | 5.73 | 9.29 | 5.82 | 9.43 | 13 |
| Assn. | 5.36 | 9.52 | 5.57 | 9.90 | 14 |
| Cook | | | | | |
| Conf. Aver. | 5.50 | 6.91 | 5.87 | 7.66 | |
| District | 5.73 | 9.29 | 5.82 | 9.43 | 13 |
| Assn. | 5.36 | 9.52 | 5.57 | 9.90 | 14 |

Table VI - continued

| <u>Position</u> | 1990-91 | | 1991-92 | | <u>Years to Max.</u> |
|------------------------|-------------|-------------|-------------|-------------|----------------------|
| | <u>Min.</u> | <u>Max.</u> | <u>Min.</u> | <u>Max.</u> | |
| Aide | | | | | |
| Conf. Aver. | 6.03 | 7.66 | 6.48 | 8.00 | |
| District | 5.73 | 9.29 | 5.82 | 9.43 | 13 |
| Assn. | 5.36 | 9.52 | 5.57 | 9.90 | 14 |
| Bookkeeper | | | | | |
| Conf. Aver. | | 9.80 | | 10.07 | |
| District | | 10.55 | | 10.97 | |
| Assn. | | 10.55 | | 10.97 | |
| Head Cook | | | | | |
| Conf. Aver. | | 7.86 | | 8.64 | |
| District | 5.13 | 9.29 | 5.82 | 9.43 | |
| w/stipend | 6.95 | 10.51 | 7.04 | 10.65 | |
| Assn. | 5.36 | 9.52 | 5.57 | 9.90 | |
| w/stipend | 6.58 | 10.74 | 6.79 | 11.12 | |
| Mtce/Head Cust. | | | | | |
| Conf. Aver. | | 10.97 | | 11.52 | |
| District | 5.73 | 9.29 | 5.82 | 9.43 | |
| w/stipend | 6.36 | 9.92 | 6.45 | 10.06 | |
| Assn. | 5.36 | 9.52 | 5.57 | 9.90 | |
| w/stipend | 5.99 | 10.15 | 6.20 | 10.53 | |

A further analysis of rank of Glenwood City offer maximums to conference maximums is useful.

Table VII

RANK OF GLENWOOD CITY OFFERS IN MAXIMUMS IN
COMPARISON TO CONFERENCE DISTRICTS

| <u>Position</u> | Rank | | | |
|-----------------|-----------------|--------------|-----------------|--------------|
| | 1990-91 | | 1991-92 | |
| | <u>District</u> | <u>Assn.</u> | <u>District</u> | <u>Assn.</u> |
| Secretary | 2 | 2 | 3 | 1 |
| Custodian | 3 | 3 | 4 | 3 |
| Cook | 1 | 1 | 1 | 1 |
| Aide | 2 | 2 | 2 | 2 |
| Bookkeeper | 4 | 4 | 4 | 4 |
| Head Cook | 1 | 1 | 2 | 2 |
| w/stipend | 1 | 1 | 2 | 2 |
| Mtce/Head Cust. | 11 | 11 | 11 | 11 |
| w/stipend | 9 | 9 | 10 | 10 |

The Association in its reply brief compared actual maximum rates earned by each classification in 1990-91 and 1991-92 as compared to potential maximums. The following table is derived from the Association Reply Brief, pages 4-6.

Table VIII

**COMPARISON OF ACTUAL MAXIMUM RATES TO BE EARNED
IN 1990-91 AND 1991-92 IN GLENWOOD CITY WITH
AVERAGE OF MAXIMUM RATES IN CONFERENCE**

| <u>Position</u> | <u>1990-91 Max.</u> | <u>1991-92 Max.</u> |
|-----------------|---------------------|---------------------|
| Secretary | | |
| Conf. Aver. | 8.48 | 8.92 |
| Assn. | 7.96 | 8.54 |
| District | 7.76 | 8.14 |
| Custodian | | |
| Conf. Aver. | 10.99 | 11.80 |
| Assn. | 9.52 | 9.90 |
| District | 9.29 | 9.43 |
| Food Service | | |
| Conf. Aver. | 7.85 | 8.00 |
| Assn. | 7.70 | 8.27 |
| District | 7.51 | 7.88 |
| Aide | | |
| Conf. Aver. | 7.40 | 7.82 |
| Assn. | 8.74 | 9.36 |
| District | 8.53 | 8.91 |
| Bookkeeper | | |
| Conf. Aver. | 9.96 | 10.79 |
| Assn. | 10.55 | 10.97 |
| District | 10.55 | 10.97 |

The Association contends that the salary structure, the incremental cost and length of time to reach the top of the schedule support the Association offer. When the length of time it takes to get to the top of the Glenwood City schedule as compared to other districts, the Glenwood City employee will be behind in career earnings. An employee of Colfax, for example, will get to the top of the schedule in only 18 months whereas in Glenwood City it will take 13 years. The District offer of 1.5% across the schedule erodes the position of Glenwood City employees in comparison with conference districts.

The Association contends that for the District to calculate in its offers the cost of increment increases produces a volatile factor, particularly because in the first five steps of the schedule there is a \$0.50 increase for each step and thereafter there is an increase of \$0.25. Thus in the 1987-88 schedule the increment was 5.6%, but in 1989-90 the cost was only 2.9%. In the 1987-88 agreement the employees received at least a 3% increase.

The Association notes that employee Erickson, who received 6% raises in 1988-89 and in 1989, will be receiving under the District proposal a special raise of 4% which comes to \$0.41 or \$0.42 each year. However the District under its offer would give persons at the top of the schedule like Erickson only a \$0.14 increase.

The Association emphasizes percentage increases in comparable districts with their 4% and 5% increase, which clearly supports the Association offer.

The Association contends that when the District in its exhibits shows District increases as 5.54% and 5.19% for the respective years and the Association increases as 8.02% and 7.49% respectively, that this is in error. District increases are only 1.5% for each year and the Association increase is 4.0% for each year.

The Association argues essentially that the District proposed the present schedule of steps and that a percentage in raise across the board independent of incremental costs was what really was agreed upon.

The District also has not shown incremental costs which have occurred in other schools, where there have been incremental costs and the District arguments on this point are misleading.

The Association rejects the District argument that the stipend offer to supervisors is not a newly negotiated wage increase, but rather a straightening out of an accounting procedure implemented by a former superintendent. The stipend is paid to the Food Service, Custodian and Transportation supervisors; but the Food Service Supervisor is moving through the schedule and will receive both an increment and the stipend. The stipend was to get the District in compliance with the Fair Labor Standards Act and should not be counted against the Association as a newly negotiated increase.

The Association rejects the District argument that if it wanted employees at the top of the schedule to get the same increase as others, it should have proposed an additional step. If the Association had done so, it would have extended the schedule from 14 steps to 15 steps, when the schedule is too long now.

The settlements in the Dunn-St.Croix Conference within a 4% to 5% range support the Association offer. Further the employees in comparable districts reach the top much sooner than in Glenwood City.

The Association cites its tables (noted above in Table VII) as indicative of the fact that Glenwood City employees under the Association offer would be getting wages more comparable to conference wages in various classifications.

Association Position Summarized. The Association argues essentially that the bargaining history of the parties supports the Association position. It was the intent of the parties when they entered into the kind of wage schedule with extended steps which the District urged, that in the future everyone in the schedule, from the lowest step to the highest, would receive a fair, decent increase, with a minimum that would meet the cost of living. All employees were to be treated essentially the same.

The Association argues that its offer in wages is fair and reasonable. Each year the employees under this offer will receive a 4% increase and the incremental step. The cost of the incremental steps has decreased since employees have moved through the schedule and no longer should this increment cost be the focal point in the relations between the parties.

The Association contends that the District offer does not treat everyone fairly, in that persons at the top of the schedule will not receive an incremental increase, but only a 1.5% increase except for the one employee who will receive a 4% increase. This is unfair to the persons at the top of the schedule. They are being treated differently not only from other employees in the schedule, but also in comparison to the one employee who is getting a 4% increase.

The Association further argues that the District, instead of staying with the schedule as it claims it is doing, is really changing it by eliminating Step 0.

As to the increment cost, the Association stresses that the District itself made the proposal for a step schedule, placing everyone on it regardless of classification. Now the District is proposing that employees at the top of the schedule receive less than others. This is neither fair or equitable.

District Position Summarized. The District argues that its offer of a 1.5% increase in both years plus increment increases for 22 of 24 members in 1990-91 and 21 of 24 members in 1991-92 provides a 5.54% increase in wages in 1990-91 and a 5.14% increase in 1991-92. The offer of 1.5% across the board therefore warrants an increase less than the increases offered in the conference where the increases in increment costs are non-existent or minor. The Association offer of a 4.0% increase for both years discounts the value of the increments and results in excessive increases of 8.02% and 7.49% respectively for 1990-91 and 1991-92.

The District contends that past history shows that the wage increases were dependent primarily on the cost of the increments built into the schedule. In 1986-87 each employee was placed on a schedule at least \$0.15 higher, or moved to the next step with a minimum of \$0.29 an hour. In 1987-88 each employee moved one step above the 1986-87 placement with a 3% increase. In 1988-89 all employees except Erickson received only the increment. Erickson received 6% more. In 1989-90 all steps were increased \$0.15 and eligible employees advanced one step. Erickson again received 6%. In 1987-88 a Step 13 was added to provide for Custodian, N. Wold. Internal increases within the schedule without change provided for high percentage increases especially in the first four steps.

In the 1990-91 District offer the increment advances alone provided a 4.38% increase and in 1991-92 a 4.43% increase. Under the Association offer the minimum increase would be 6.97% for the first year and 6.91% in 1991-92.

The District contends that it has met the Association request for a reasonable minimum increase in each year of the adopted schedule system. The only persons not receiving the increases in full are the few employees at the top. One of those employees at the top is Erickson who was at Step 12 from the beginning and has been red-circled since.

For three employees at the top step, the parties in a Tentative Agreement of 1/28/91 agreed to an additional stipend. The District now contends that this stipend, formerly not negotiated but now negotiated, is really now a wage increase. Therefore the only employee not receiving a step increase in 1990-91 is Custodian N. Wold, who however does get a \$0.15 increase per hour. There is therefore no rationale for the Association proposed 4% increase. The Association proposal also results in an excessive increase for bargaining unit members.

As to actual wage increases, the District contends its average increases of \$0.41 per hour in 1990-91 and \$0.40 in 1991-92 is closer to the conference average of \$0.38 than the Association offer of \$0.59.

The District notes that the percentage increases in the costings whether made by the District or the Association are not significantly different. They do show that the District offer with District costing for wages at 5.54% in 1990-91 and 5.14% in 1991-92 is closer to the settlement pattern in comparable districts than is the Association costs for wages only. These latter costs of the Association are 8.02% for 1990-91 and 7.49% for 1991-92.*

The District says it provides an average percentage increase of 6.31% for all employees in 1990-91 and 5.77% in 1991-92 (ER 51). The Association is offering average percentage increases for employees of 8.89% in 1990-91 and 8.18% in 1991-92. The District offer in both years exceeds the conference averages which are 5.25% and 4.85% for the two years.

The District notes that none of the districts with the non-Union employees in the conference have any increment costs such as Glenwood City has. In four other districts with wage schedules, two of them, Colfax and Elmwood, have a low increment cost because of short schedules. Boyceville is in the process of establishing wage schedules. In Spring Valley, employees received the increment only.

The District contends also that when average conference maximum rates for Secretary, Custodian, Cook and Aide are compared to the District offer, the District offer exceeds the conference average by \$1.38 per hour in 1990-91 and \$1.20 per hour in 1991-92. The Association offer at \$1.61 per hour and \$1.67 per hour respectively above the conference average is unreasonable.

*The Association costs its offer at 7.61% for 1990-91 and 7.32% for 1991-92.

The District avers that in a majority of cases, District employees can expect to earn a higher maximum rate than in comparable districts. In only four instances are maximum wage rates in other conference districts exceeding the District offer in 1990-91; and in 1991-92 the District offer is exceeded only in five instances.

The District contends also that its minimum wage rate is more reasonable than the Association wage rate because the District eliminates Step 0. Thus while both offers will be lower than conference averages for Secretary, Custodian, Cook and Aide, the Association offer for minimum wage is lower than the District offer. Further the Association has challenged any practice of the District hiring above the base rate. Thus the District offer is more reasonable for both minimums and maximums.

The District contends that the Association is ignoring the supervisors' stipend which was negotiated and applies to supervisor employees at the top step. It also argues that the increment costs will always remain a major consideration as long as there remains a major cost to the District. It also argues that the concept of "minimum" increase and "decent" increase is a ruse to inflate the entire wage schedule. As for employees at the top, the Association did not offer any alternate proposals for longevity or step increases at the top or guaranteeing every employee a minimum increase. The District also argues that where it is difficult to compare costs of increments, actual wage rate increases are to be used.

The District argues that, further, in the cases of unionized districts which however have fewer steps in the schedule than Glenwood City, Glenwood City employees have benefits which the others do not have.

As to career earnings, the District cites Arbitrator Kerkman (Washburn School District, Dec. No. 24278-A (9/87)) that career earnings are not lessened by a lengthy wage schedule. There the arbitrator found that earning opportunities generated by an unusually long wage schedule favored the Employer offer.

Discussion. Comparing wages received in a schedule of 13 or 14 steps without classification except as to longevity in employment with wages paid as a flat rate according to classification presents the difficulty of ascertaining whether persons of like years of experience in like positions are getting wages within a narrow comparable range. Short of analyzing each individual employee's experience, there appears no really satisfactory way of ascertaining equality or "comparability" in the sense that the word "comparability" means "equality".

The Association in its Reply Brief made a set of comparison tables approaching this kind of individual comparison. Table VIII above consists of data summarized from the tables in the Association Reply Brief. The implication of such a set of tables is that apart from other methods of considering comparisons, there may be a problem of a need for Glenwood City to catch-up in its wages. Certainly the idea of "catch-up" has been implied in the argument that the present 13 step District proposal or 14 step schedule

under the Association proposal necessarily implies that such a schedule causes employees under it to lag behind, especially in "career" earnings simply because of the length of time to advance through the schedule. Certainly, too, from a review of minimum wages, Glenwood City has a problem of catching-up, which the District attempts to address in part by eliminating Step 0 of the schedule. The problem of lagging behind on maximums is not so clear. Neither does Table VII show under existing conditions of top wages which employees are getting in current classification, that in Glenwood City there is a catch-up situation. Only in the case of top custodians or head maintenance position is there a pronounced lag.

Later in this discussion, the conclusion will be reached by the arbitrator, that with respect to employees in Dunn and St. Croix Counties and external employees, there appears to be a lag in Glenwood City wages, but the evidence is not conclusively found here in conference comparisons. The Association has not directly argued that there is a catch-up situation, but chiefly that percentage increases taken independently of any costs of increments justify the Association offer.

Since one cannot on the basis of exhibits come to a firm conclusion that a catch-up situation exists in Glenwood City, one is then compelled to rely on a comparison of total wage costs. The assumption here is made by this arbitrator that under the schedule system to which the employees as well as the District have agreed to work, the internal relations within the schedule are more or less acceptable as to the distribution of the dollars available for wages. Under this assumption one therefore looks at how much the total costs or percentage increases for the whole cohort of employees is as compared to the total costs of payments to the whole cohort of employees in other comparable districts. Under this type of analysis the costs of increments plus any percentages across the board increases are added together to arrive at what compensation in wages the employees receive.

Table V foregoing, derived from the Association Exhibits 22 and 23 indicates that the range of settlements for support staff in comparable districts is around a 4% to 5% average. Increment costs, if any, are not included. Table IV above indicates that the 5.54% 1990-91 offer of the District and the 1991-92 offer of 5.14% is the more comparable in the range of settlements.

As to the comparable maximums and minimums at Glenwood City, it is apparent from Table V that conference minimums are frequently better than the minimums of either offer at Glenwood City. Also, while Glenwood City maximums may be high in several categories or classifications of employees, they are certainly low in the case of Maintenance/Head Custodians. And repeating what has earlier been noted, employees reach a maximum sooner in other districts than in Glenwood City. However also as has been noted, this arbitrator is reluctant to conclude on these grounds that the Association offer of a 4% across the board increase for both years is the more comparable, because it is difficult to compare individual salaries or classification groups in a step program where all classifications are placed without regard to specific function performed with other systems where employees are paid by classification. Absent a clear showing of need for a catch-up, reliance here is placed on a comparison of total wage increases. As noted earlier, the 1.5% across the board increase proposed by the District more nearly meets the terms of comparability.

Both parties in their discussion made extended references to the bargaining history, with each contending it supported their offer. Certain salient facts appear to this arbitrator. The first is the fact that an extended schedule based on longevity which included all classifications was adopted. This schedule thereby introduced the principle of longevity as a factor in determining wage level, almost unique in the conference. The principle of a salary schedule based on longevity with a cap also creates the fact that when someone gets to the top, the increment added for each step no longer applies. At this point the argument about inequity of payment if the people at the top do not get the same percentage increase as others in the steps get no longer applies. As to a pattern in the past history, it appears that ad hoc settlements were reached based on total costs. Both parties now offer a percentage increase across the board, a departure from the past.

In view of the foregoing discussion, the arbitrator then is of the opinion that the District offer, though not comparable in specific instances, is on the whole more comparable to conference wage payments when total wages paid alone are considered as a whole.

XI. COMPARISON OF WAGES WITH OTHER PUBLIC EMPLOYEES IN THE SAME OR COMPARABLE COMMUNITY. District Exhibit 63 shows that Glenwood City bus drivers received an 8.2% wage increase in 1991-92, but had a wage freeze in 1990-91. District Exhibit 64 shows that CESA #11 employees received 4% increases in 1990-91 and 3.8% in 1991-92. Dunn County employees received an increase of 3.5% in 1990 and 3.75% in 1991. St. Croix County employees received 3.25% in 1990, a step increase of 3% on 1/1/91 and 1% on 7/1/91 and a similar step increase for 1992.

As to wage rates, the following table is derived from Employer Exhibits 65-69.

Table IX

COMPARISON OF SELECTED EMPLOYEES IN GLENWOOD CITY
WITH OTHER PUBLIC EMPLOYEES

| | 1991 | | 1992 | | Years To Max. |
|---------------|-------------|-------------|-------------|-------------|------------------|
| | <u>Min.</u> | <u>Max.</u> | <u>Min.</u> | <u>Max.</u> | |
| Secretaries | | | | | |
| Dunn Co. | 7.80 | 10.60 | | | 2 |
| St. Croix Co. | 7.45 | 8.59 | 7.75 | 8.93 | |
| CESA #11 | | | | | |
| Secy. I | 6.22 | 6.52 | 6.46 | 6.77 | 1 |
| Secy. III | 9.90 | 10.31 | 7.39 | 7.72 | 1 |
| Secy. V | | | 10.28 | 10.70 | |
| Glenwood City | | | | | |
| Dist. | 5.73 | 9.29 | 5.82 | 9.43 | 13 |
| Assn. | 5.36 | 9.62 | 5.57 | 9.90 | |

Table IX continued

| | 1991 | | 1992 | | Years To Max. |
|------------------|----------------|-------------|----------------|-------------|------------------|
| | <u>Min.</u> | <u>Max.</u> | <u>Min.</u> | <u>Max.</u> | |
| Bookkeeper | | | | | |
| St. Croix | | | | | |
| Payroll | 8.48 | 9.63 | 8.82 | 10.02 | 4 |
| Bkpr. | 8.06 | 9.23 | 8.39 | 9.60 | 4 |
| CESA #11 | | | | | |
| Hd. Bkpr. | 10.31 | | 10.70 | | |
| | Plus \$520/yr. | | Plus \$520/yr. | | |
| Glenwood City | | | | | |
| Dist. | | 10.55 | | 10.97 | 13 |
| Assn. | | 10.55 | | 10.97 | 13 |
| Custodials | | | | | |
| Dunn Co. | 8.02 | 10.86 | | | 2 |
| St. Croix Co. | 8.79 | 9.20 | 9.14 | 9.57 | |
| CESA #11 | 7.37 | 7.66 | 7.65 | 7.95 | 1 |
| Glenwood City | 5.36 | 9.52 | 5.57 | 9.90 | 13 |
| Aides/Fd Service | | | | | |
| CESA #11 | | | | | |
| Tchr. Aide | 8.76 | 9.11 | 9.09 | 9.46 | 1 |
| Fd. Service | | | 6.99 | 7.27 | |
| Glenwood City | | | | | |
| Dist. | 5.73 | 9.29 | 5.82 | 9.43 | 13 |
| Assn. | 5.36 | 9.52 | 5.57 | 9.90 | 13 |

Association Exhibit 1 reported that as of May 16, 1991, the social service union and highway employees' unions would have a three year contract which included a 3% raise in January and a 1% raise in July of each year; however social service workers would work a 40 hour week instead of a 35 hour week.

Positions of the Parties. The Association argues that the increase given bus drivers in Glenwood City of 8.2% supports the Association request for a 4% increase. The District argues that the increase of the bus drivers really represents an average of 4.1% since the bus drivers received no raise in 1990-91. Further bus drivers received no fringe benefits. Bargaining unit members, except for 9 and 10 month employees, received fully paid health, dental, life and long-term disability insurance.

The District also argues that the external comparables it provided in Dunn and St. Croix Counties comparables and CESA #11 support the District offer, in that settlements in the comparables are in the 3.75% to 4% range. Further the maximum rates proposed by the District for secretaries, bookkeepers and custodians compares favorably to those in St. Croix County. The District offer also compares favorably with CESA #11 positions.

Discussion. As to these arguments of the parties on "internal" and "external" comparables, the arbitrator is of the opinion that the increase given to the District's bus drivers should be looked at over the two year period and amounts to a "catch-up" averaging 4.1% per year. This is to be compared to the total wage increase offered by the District to the support staff which exceeds the bus driver increase.

However the comparisons with Dunn and St. Croix County, and CESA #11 do not provide the convincing evidence that the Glenwood City salaries are comparable. Glenwood City minimums are substantially below the external comparables. Also, while some of the maximum salaries are comparable, yet it takes thirteen years in Glenwood City to reach them. The external comparables do not give evidence of support that the District offer is the more comparable, but rather that the Association offer might be. Although the arbitrator cannot develop the precise data on individual employees within Glenwood City district for comparisons with externally employed individuals, the arbitrator nevertheless is of the opinion that the Association offer here is the more comparable one with its higher offer, simply because of the length of time it takes employees to reach a maximum.

XII. COMPARISON WITH PRIVATE SECTOR EMPLOYEES. The parties did not make comparison of their offers with private sector employees.

XIII. COST OF LIVING. The parties submitted information on the changes in the consumer price index. The last agreement between the parties expired on June 30, 1990. The Consumer Price Index for non-metropolitan urban areas, North Central States, for urban wage earners and clerical workers (CPI-W) registered a 4.1% increase in July 1990 and a 4.0% increase in July 1991. (ER. Ex. 70).

Association Exhibit 53 showed a NEA/RCN Consumer Price Index system. Its data for the CPI-W showed a 4.46% increase in July 1990 over the previous year, and a 4.35% increase in July 1991 over July 1990. Association Exhibit 55 reported that consumer prices increased 6.1% in the United States in 1990 as compared with 4.6% in 1989.

Positions. The Association, noting that the CPI showed a 6.1% increase in the United States for 1990, a July 1991 increase of 4.4% and an October increase of 4.2%, holds that its offer of a 4% per year increase on the schedule conforms more nearly to the CPI changes than does the District offer at 1.5%.

The District argues that the CPI to be used is the CPI for non-metropolitan urban wage earners and clerical workers and believes the appropriate time to measure the change is from July 1989 through June 1990. The changes thus registered is a 4.1% increase. The change at June 1991 is 4.6%. Against these figures the District measures total package costs. The District offer results for the respective years in a change of 7.46% for the first year and 5.83% in the second year. The Association offer comes to 9.60% and 7.69% for the two years respectively. The District therefore argues that its offer is more comparable to the changes in the CPI.

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Discussion. The matter of comparison to the changes in the CPI brings up a main question. That is whether the comparisons should be made on total package costs or on wage changes only. Since total package costs reflect the total actual benefits received by bargaining unit members, the arbitrator is of the opinion that comparison should be made between total costs and the changes in the CPI. In this case the District offer is the more comparable.

The answer to this question obviates the necessity to consider whether the CPI comparison should be made with the percentage increases offered on the whole salary structure alone or whether the cost of the increments should be included.

XIV. OVERALL COMPENSATION. The matter of overall compensation was not specifically addressed by the parties, except as noted in the foregoing matter of the cost of living. As noted in Section IX, Table IV foregoing, the total compensation cost as calculated by the District with resulting percentage increases is used by the arbitrator since the District included WRS costs which the Association did not. Resulting overall costs produced percentage increases in 1990-91 of 7.46% for the District offer and 9.60% for the Association offer. In 1991-92 the District offer produced a percentage package cost of 5.83% and an Association cost of 7.09%.

Neither party furnished direct information on overall compensation or wages and benefits in other districts, so the arbitrator is not making a comparison judgment on this factor.

XV. THE ABILITY OF THE UNIT OF GOVERNMENT TO PAY THE COSTS AND INTERESTS AND WELFARE OF THE PUBLIC. The District is making no argument as to inability to pay. The question then is how either offer may affect the welfare of the public.

The Association in its Brief notes that for 1990-91, the difference between the Association offer and the District offer by Association calculation is \$7,543.23, or 0.19% of a \$4 million general budget for 1990-91. In 1991-92 the difference is \$16,025, which is 0.40% of the general budget. If the two year budget totals are considered, the difference in the Association offer would be but 0.29%.

The Association notes that the District had an 18.78% general fund balance at the end of the 1989-90 year and a 21.94% balance at the end of the 1990-91 year. More than half of this projected balance is cash on hand. At the end of the 1989-90 school year the fund was about \$789,000. Of this amount the District used \$300,000 to remodel the Junior/Senior High School, so the District could have met the cost of the Union offer. In 1990 the District bought a school bus for \$42,400, which is about double the increase sought by the Association for two years.

The District argues that the exhibits of both parties do not show that the District is either flush with funds or in severe straits. The District is 6th out of 11 districts in cost per member. It has the lowest equalized value per member and receives the second highest student aid per member. It has a middle ranking in adjusted gross income, but the second highest mill rate.

The Association contention that the District had an end of the year general fund balance of 18.78% in 1989-90 and 21.94% in 1990-91 does not show that the year balances are actually money in the bank. A large portion represents projected tax revenues. Further the money on hand is used to meet summer payrolls or else the District would have to borrow. The District auditor recommended a 28% balance. The bargaining unit is not short changed under the District offer, but the District has to carefully study all costs for the welfare of the taxpayer.

Discussion. Glenwood City School District with 826 members was fifth in size in the conference districts. (ER 29) With an FTE of 65.00 it was fourth. (ER 30) In cost per member at \$4,820 it was sixth. (ER 31) In aid per member at \$3,482 it was second. (ER 32) In equalized valuation per member it however was lowest at \$81,162. With a mill rate of 20.68, in 1991-92, it was sixth highest. Its 1990-91 rate was 18.78, which was 8th in rank. The percentage change of 10.09% was, however, second highest (ER 34). The adjusted gross income per capita in 1990 at \$8,796 was sixth.

Both parties have noted that the voters in the District voted approval of a \$4.25 million school construction project. Association Exhibit 61 also noted that Glenwood City was funding an industrial expansion project for more jobs. Association Exhibits 54 and 55 showed that the employment rate in the Eau Claire area was relatively strong.

Association Exhibit 58 however showed that the end of the year general fund balance in Glenwood City in 1989-90 was 7th in rank and in 1990-91 5th.

Reviewing the above information, the arbitrator concludes that the District could meet the cost of the Association offer and this would not materially disadvantage the public interest, though costing more.

XVI. CHANGES DURING PROCEEDINGS. No changes in the foregoing circumstances were reported during the pendency of these proceedings.

XVII. OTHER FACTORS. The Association contends that the District offer by proposing to drop Step 0 is changing the status quo without offering a quid pro quo. The District has sent a message that it is more concerned with beginning employees than those at the top. If the District had need to hire above the starting wage, it should have included that in its final offer. The District had no problem in hiring a Secretary at the starting wage.

The District argues that because the minimum wage is low, it will have difficulty recruiting qualified employees, especially since the Association grieved and won a case against the District starting an employee at the top step.

With regard to the concept of retaining status quo, this arbitrator is of the opinion that final and binding final offer arbitration allows the parties to bring in proposals without any need to show a quid pro quo, but to rely principally on comparisons or a demonstrated need for change to justify a change. Here the arbitrator believes that the low minimum wage in the Glenwood City salary schedule does not meet the test of comparability. The District offer to raise it by eliminating Step 0 more nearly meets the test than the Association offer to retain it.

XVIII. SUMMARY AND CONCLUSION. The following is a summary of the findings and conclusions of the arbitrator herein:

1. There is no issue here as to the lawful authority of the Employer to meet the terms of either offer.
2. The parties have stipulated to all other matters between them.
3. The parties are agreed on using school districts in the St. Croix-Dunn Counties Athletic Conference.
4. As to comparison on wage offers, the District offer on total wage costs, though not comparable when specific job classifications are considered, on the whole is more comparable to conference wage payments.
5. The arbitrator is of the opinion that the Association offer on wages when compared to external public employee wages is more comparable, especially because of the length of time it takes for Glenwood City employees to reach the maximum level.
6. The parties did not make comparisons of their offers with wages in the private sector.
7. The District offer in percentage increases for total wages is more comparable to the changes in the cost of living.
8. Neither party furnished direct information on the overall compensation of wages and benefits in other districts so the arbitrator is not making a comparison judgment on this factor.
9. In terms of the ability of the District to meet the costs of either offer, the District has not argued inability to pay the costs of the Association offer, and the evidence is that the District can do it. For the District to do so would not materially disadvantage the public interest, though costing more.

10. No changes in circumstances were reported during the pendency of the proceedings.

11. As to other factors including the changing of status quo on the schedule, the District offer to eliminate Step 0, the starting step in the schedule, and make Step 1 the minimum, is justified on the basis of comparability to other minimums.

In the foregoing conclusions, the weightiest factors relate to total wage comparability, external employer wage comparability, and comparability to changes in the cost of living. The factors of total wage comparability and cost of living accrue to the District offer. The factor of external employee comparability accrues to the Association offer. The arbitrator concludes that the District more nearly conforms to the statutory criteria and therefore makes the following award.

XIX. AWARD. The Agreement between West Central Education Association (Support Staff) and the Glenwood City School District should include the offer of the District.

Frank P. Zeidler

FRANK P. ZEIDLER
ARBITRATOR

Date January 30, 1992
Milwaukee, Wisconsin