

**WAUNAKEE COMMUNITY SCHOOL DISTRICT
BOARD OF EDUCATION HUMAN RESOURCES COMMITTEE**

Wednesday, March 2, 2022

9:00 AM

Waunakee Community School District
905 Bethel Circle
Waunakee, WI 53597

Members of the public may attend Board of Education meetings in-person, and will be asked to check in with District personnel when you arrive.

Public comments will be limited to 3 minutes. The Board will allow 30 Minutes for public comments.

Public comments may be sent to Rebecca McDonough at district_administrator@waunakee.k12.wi.us up to one hour before the start of the Board meeting. All comments will be reviewed by the Board members. Emailed comments will be reviewed by the board but not read out loud. Emailed comments sent during any part of the board meeting (Board Development, Closed session, Open session) will be forwarded to the board but may or may not be reviewed by the board until after the board adjourns. Comments must include the commentator's name, address, and must identify their connection to the District (if any) and any group they are representing in order to be considered by the Board.

If you would like to address the Board in-person during the public comments section of the meeting, you will be greeted in the lobby of the building, asked to check in with District personnel when you arrive so that you can be recognized and address the Board when your name is called.

A recording of the meeting will be posted on the District webpage within 24 hours of the meeting time.

A quorum of the Board may be present

AGENDA

I. CALL TO ORDER

II. ROLL CALL

III. APPROVE AGENDA

IV. PUBLIC COMMENTS

V. ADJOURN TO CLOSED SESSION (19.85(1) (c) (e))

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Negotiation Preparation - Waunakee Teachers Association

A. Negotiation Preparation - Waunakee Teachers Association

VI. RETURN TO OPEN SESSION

VII. REVIEW OF DANE COUNTY AND BADGER CONFERENCE

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COMPENSATION MARKETS FOR 2022/2023 SCHOOL YEAR

The administration will share area district's compensation actions and updates for the next school year. As an example, we have shared the compensation decision made by Sun Prairie and their communication to staff.

VIII. 2022-2023 COMPENSATION PLANNING

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In light of the state funding challenges facing the district and the compensation systems

created within the last year, we will continue the discussion of approaches for the 22/23 school year.

Potential strategies to discuss:

1. Allow staff to advance within the hourly system based on hiring date and teachers to advance within their new system based on experience and professional development prior to the first 22/23 paycheck; no change in systems based on CPI or inflation. Revisit the inflationary increase in the fall 2022. Engage in negotiations if requested by the WTA.
2. Increase both systems by an inflationary measure and permit staff advancement prior to the first paycheck of 22/23. Seek to reach agreement with the WTA prior to the first paycheck.
3. Hold all wages at the 21/22 level. Revisit both inflationary advancement and wage system advancement in the fall 2022. Engage in negotiations if requested by the WTA.

Initial costing estimates for WCSD employee groups - Hourly Staff, Administration and Administrative Support, for different scenarios will be provided at the meeting.

Administration will also share budget strategies that connect to compensation scenarios.

IX. ADJOURN

“Any person who has a qualifying disability as defined by the Americans with Disabilities Act who requires assistance with access or materials should contact the Waunakee Community School District Office at 849-2000, 905 Bethel Circle Drive Waunakee, WI 53597, at least twenty-four hours prior to the commencement of the meeting so that necessary arrangements can be made to accommodate the request.”

Bargaining Reminders and Issues in the Era of 4.70% CPI Increase

DOUGLAS E. WITTE | 01.31.22

Those of you who have collective bargaining agreements covering some of your employees (those who were recertified in the fall 2021 elections) are likely struggling with the prospect of bargaining “total base wage increases” in the face of the most recent Department of Revenue certified CPI increase of 4.70% for contracts beginning July 1, 2022. Even if you don’t have a collective bargaining agreement and any duty to bargain, this CPI number and the recent inflationary pressures will certainly be something all districts will have to contend with when it comes to wage increases for existing or new staff. Since Act 10 was passed in 2011, the CPI increases have ranged from a low of 0.12% up to 3.16% (and that was back in July of 2012). Many districts have been accustomed to CPI increases of 1 – 2% which are much more manageable from a budgeting standpoint. And bargaining was somewhat of a formality – sometimes taking one meeting lasting not more than 20 – 30 minutes. Some districts may have also gotten sloppy in their procedures. This year is likely to be different.

This article will provide you some reminders for those who are beginning bargaining and discuss some issues that could present themselves in an inflationary environment.

Duty To Bargain Over Base Wages Only

School districts are restricted to bargaining over the amount of total base wage increases of bargaining unit employees, as well as the distribution thereof. The total base wages for each bargaining unit will be calculated using the “snap shot date” of January 1 of the year in which the collective bargaining agreement will be effective (e.g., January 1, 2022 for a contract covering the 2022 – 2023 school year). The parties should use the same method of calculating base wages as they used

previously. Unless approved by a referendum, the law prohibits bargaining an increase in the total base wages that exceeds 4.70% for collective bargaining agreements effective July 1, 2022.

Statutory Notices Regarding Collective Bargaining

The parties must notify the Wisconsin Employment Relations Commission (WERC) of the commencement of negotiations on a WERC form (<http://werc.wi.gov/doaroot/werc-08.pdf>). Notice must also be given to the public and news media of the re-opening of collective bargaining agreements that complies with the requirements of the Open Meetings Law. See Wis. Stats. §§ 19.86 and 19.84(1)(b).

Presentation of initial bargaining proposals, along with supporting rationale, must be presented at an open meeting which has been posted pursuant to Wis. Stat. § 111.70(4)(cm)2. Initial proposals must be in writing. In many cases, both parties will make their initial proposals at the same meeting. However, initial proposals can also be made at separate meetings. In those situations, frequently the union would present its proposal at one meeting and the district would present its proposal at the next meeting. Both meetings needs to be properly noticed under § 111.70(4)(cm)2.

After the initial meeting(s), the Open Meetings Law does not apply to a school board or a committee which is formed for or meeting for the purposes of collective bargaining. See Wis. Stat. § 19.82(1). Negotiations shall be conducted in closed session if either party requests to do so. Despite the fact the Open Meetings Law does not apply to negotiation sessions, the Attorney General has recommended that the parties post such notices anyway.

Mechanics Of Bargaining

Each party is free to designate almost anyone it wants as a bargaining representative. The board cannot object to a member of the union's negotiation committee and vice versa. Negotiators for each side must have meaningful authority to negotiate (although not necessarily authority to make a final decision on behalf of the party they represent).

In many situations, negotiating committees decide to have a single spokesperson at a bargaining session and agree to have only that person speak at the bargaining table. If other members of the committee have questions or concerns about what has been said or what can be said, the person should let the spokesperson know of the desire for a caucus (a meeting held separately and confidentially away from the other side to discuss strategy). Either side can request a caucus at any time and you can have more than one caucus during a single negotiation session. The negotiating committee should decide whether they are comfortable having someone else

attempt to answer any questions that may be directed at the bargaining committee. The negotiating committee should work to present a unified front.

Discussions of the negotiating committee and the board regarding bargaining strategy is confidential and should not be discussed with anyone else, other than legal counsel for the board. This includes spouses and family members. Spouses and family members do not have a fiduciary duty to maintain confidentiality, so no information should be shared with them from any closed session, including negotiation strategy discussion.

All proposals and counter-proposals should be made in writing. This is especially true at the stage at which they are tentatively agreed upon. If you orally agree to something, it is just as though you agreed to it in writing. In the course of negotiations you should only tentatively agree on a provision subject to agreement on an entire contract. In other words, don't agree to the percentage of increase in the base wages unless and until you also have an agreement on distribution.

Make the union aware that any agreement reached by the two negotiating committees must be ratified by the full board. The union will also likely inform you that any agreement reached needs to be ratified by the membership.

Discussions Outside Of Negotiations

You may not bypass the union negotiators in an attempt to negotiate directly with employees. You may also not attempt to undermine the union by your communications with employees. However, if you are concerned that the negotiating committee may not be providing full or accurate information to the remaining employees, you can provide your employees with information regarding what has gone on in negotiations. This is particularly true with information that is given in response to employee questions. You may wish to consult with your attorney before making any such communications to employees.

Supplemental Pay

Many districts have developed compensation plans which may involve a component of total base wages and then other components or supplemental pay. Just because the CPI is 4.70% for contracts starting July 1, 2022, does not mean that districts need to abandon these compensation plans. The parties can still agree to a smaller amount as the total base wage increase and put any additional compensation as supplemental pay.

Given the low CPI rates over the last few years, supplemental pay was usually the portion of the pay above the CPI increase. But there is no requirement that continue. As a reminder, discussions concerning supplemental pay or alternative

compensation models must be conducted in open session and are usually conducted with a broader range of stakeholders, including certified bargaining representatives. Only those portions of supplemental pay or alternative compensation models that affect base wage bargaining can be discussed in closed session with the union. The parties may not condition agreement upon a particular supplemental pay or alternative compensation model on some agreement on base wages.

Meet And Confer

Any topics the parties want to discuss other than base wages is a prohibited subject of bargaining under the current statutes. The law does not prevent the parties from discussing other topics (such as health insurance or COVID safety issues), but this must be done in the context of a meet and confer session. Those meet and confer sessions should be noticed separately and conducted separately. The meetings can be on the same night or back-to-back. However, there should just be a distinct end of one meeting and beginning of the next.

Final Agreements and Ratification

If an agreement is reached with respect to total base wage increase and the distribution thereof, the agreement should be reduced to writing and ratified by both parties and signed as a collective bargaining agreement.

Implementation

It is possible the parties may not reach an agreement on total base wages or their distribution. Both parties have an obligation to bargain in good faith, which means approaching bargaining with an open mind and making a sincere effort to try and settle their differences.

The board should not have a “take-it-or-leave-it” approach on any issue related to base wage increases and distribution. Rather, it should approach bargaining willing to listen and seriously discuss any proposal the union makes on base wage increases and distribution. Any position the board takes with respect to its own proposals should be based on provable facts or a legitimate reason.

Because Act 10 limits the subjects of bargaining to base wage increases and the distribution thereof, bargaining generally takes less time than it used to, but you still must be mindful of discussing and responding to proposals. You must meet with reasonable frequency and for reasonable periods of time. What is considered reasonable depends on the circumstances, but generally you should promptly respond to a request to bargain and offer dates and times you are available. You must meet for a reasonable length of time, but you do not have to agree to marathon bargaining. In recent years, bargaining sometimes could be accomplished within

a matter of minutes and sometimes did not require more than one meeting. Given the CPI increase for this round negotiations, it is likely that negotiations may not be concluded as quickly and may require multiple sessions.

If after a reasonable attempt to reach agreement is made, and you cannot reach an agreement, the board may implement its final offer with respect to base wages and the distribution thereof. Before implementing a proposal, the board should declare there is an impasse. Parties may voluntarily seek mediation if they are at impasse, but mediation is not required for impasse determination or prior to implementing a proposal. Before implementing a proposal, a district may wish to consult legal counsel as impasse is a term of art in labor law and involves a specific process.

If a board implements its final offer, it does not have a collective bargaining agreement for that affected year. Rather, the parties would be operating from an implemented proposal and the implemented proposal is what would generate the operative numbers when you begin negotiations for the next contract period.

Budget Considerations

Given the high CPI numbers, it is likely that any negotiations you have with a certified collective bargaining representative will have an impact on wage increases for other staff. In addition, the scarcity of employees in many positions (bus drivers, certain teaching positions, substitutes) will likely strain districts' budgets this year beyond the normal strain that you have been experiencing. Districts should also be cautious in allocating certain amounts of money to alternative compensation plans since doing so could undercut your position that you are bargaining in good faith over total base wages.

Conclusion

Even though Act 10 simplified collective bargaining in many respects, the high CPI number this year will make negotiations more interesting and likely more difficult. Parties should make sure they are complying with the legal requirements regarding notices and the topics they may legally discuss in negotiations. Districts should be prepared to consider implementation, if necessary.

If you have any questions regarding your bargaining obligations or the mechanics of bargaining, please feel free to reach out to a BoardmanClark attorney who can assist you with these issues.

DISCLAIMER: Boardman & Clark LLP provides this material as information about legal issues and not to give legal advice. In addition, this material may quickly become outdated. Anyone referencing this material must update the information presented to ensure accuracy. The use

of the materials does not establish an attorney-client relationship, and Boardman & Clark LLP recommends the use of legal counsel on specific matters.

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Last evening, upon the recommendation of President Schroeder and the Senior Leaders, the Board of Education approved a 4.7% cost of living (CPI-U) increase, effective July 1, 2022. They also approved all existing salary structure professional growth/goal attainment stipends for the 2022-23 year.

This was not an easy decision, especially given the fact that the State of Wisconsin has not increased funding for schools. That said, the reality is you are our most important assets and the Board and Administration appreciate what you do for *Every Child, Every Day* in this school district.

Please allow us to make some important points:

- We plan a one-time-only draw from fund balance to balance the 2022-23 budget in order to provide all employee groups CPI-U.
- Our use of one-time money to fund ongoing expenses must be extremely rare and used only in very extenuating circumstances. Our public school district is experiencing a rare and extenuating time right now.
- We plan to present a balanced budget in 2023-24.
- We will solicit the assistance of all employees to partner with us to each do their part to conserve funds in all budget areas so that our draw into fund balance can be minimized to the greatest extent possible. Everyone working together to conserve funds can have a positive and meaningful impact.
- For the 2022-23 year, we are not planning a formal budget reduction process for programs and services. However, as always, we will look for opportunities to streamline and be more cost-efficient while not compromising organizational effectiveness.
- Our district has worked very, very hard in the last few years to bring employee compensation up to Dane County averages and we do not want to fall back on any progress made. Providing full CPI-U in 2022-23 will be an important milestone in that effort.
- The CPI-U is an inflation index and the inflation that you, our employees, are experiencing in your personal lives is real. Providing full CPI-U helps with that reality.
- There is a projected \$3.8B surplus at the state level - with an additional \$1.7B "rainy day fund" - for a \$5.5B total. We ask that the legislature support Governor Evers' proposal to increase funding support for public schools from zero to an amount that allows us to provide our employees with cost of living increases.

We are not going to wait for the legislature to approve funds. We will continue to do what we can to ensure you are compensated fairly, within our fiscal constraints/reality. Please note in recent history, the Board has not approved a budget that was unbalanced and needed to use our fund balance.

On behalf of the Board of Education and this community, thank you for your dedication, commitment to excellence, and love you show to this community's children. We could not be prouder of, or more grateful for, you.

Steve Schroeder, President

Brad Saron, Superintendent

Stephanie Leonard-Witte, Assistant Superintendent for Teaching, Learning, and Equity

Janet Rosseter, Assistant Superintendent for Operations

Chris Sadler, Human Resources Director

	21-22	22-23 July 1	22-23 Nov 8
Beginning Fund 10 Balance	\$7,614,873.48		
Ending Fund 10 Fund Balance	\$7,614,873.48		
Beginning Fund 41 Fund Balance	\$1,173,399.37		
Ending Fund 41 Fund Balance	\$714,144.00		

Revenues (Additional)			
22-23 Revenue Increase	\$0.00	\$107,683.00	
Unemployment Refund	\$76,058.00		
Additional Student Count		\$103,282.00	
Additional Open Enrollment Students			
Operational Referendum			\$1,200,000.00
Transfer of Service	\$0.00	\$212,200.00	
Additional Revenue Total	\$76,058.00	\$423,165.00	\$1,200,000.00

Expenses (Savings)			
Payment to Fund 73 Trust	\$557,476.00	\$557,476.00	
Transportation	\$50,000.00	\$150,000.00	
Virtual Instruction - Staff	\$0.00	\$35,000.00	
Virtual Instruction - Contracted	\$50,000.00	\$128,000.00	
Building/Dept Budgets	\$250,000.00	\$250,000.00	
Copy Machine Replacement		\$55,000.00	
Energy Efficiency Budget		\$83,894.00	
Capital Maintenance Projects		\$225,000.00	
Early Retirement/Resignations	\$0.00	\$200,000.00	
Savings Expense Total	\$907,476.00	\$1,684,370.00	\$0.00

Expenses (Additions)			
Summer School Pay Increase	\$0.00	\$107,000.00	
Aquatic Center Pay Increase	\$0.00	\$5,000.00	
Special Education - HS	\$0.00	\$136,000.00	
English Language Learner	\$0.00	\$130,000.00	
Co-curricular Programs		\$40,000.00	
Utilities (TBD)		\$31,260.00	
New FTE (7-12)		\$88,400.00	
New 6th Grade Section		\$70,000.00	
Compensation System Increases		\$546,300.00	
Inflationary Increases		\$1,546,400.00	
Arboretum AP/4K Principal		\$110,000.00	
Intermediate/MS Guidance		\$70,000.00	
Payment to Fund 73 Trust			\$443,666.00
Energy Efficiency Budget			\$83,894.00
Capital Maintenance Projects			\$225,000.00
Copy Machine Replacement			\$55,000.00
Building/Dept Budgets			\$250,000.00
Additional Expense Total	\$0.00	\$2,880,360.00	\$1,057,560.00

Net Change	\$983,534.00	-\$772,825.00	-\$630,385.00
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