

Failure to Appropriate Sufficient Funds to Implement a Collective Bargaining Agreement

The Municipal Employee Relations Act makes it an unfair labor practice for an employer “to refuse to appropriate sufficient funds to implement a written collective bargaining agreement”.¹ A teachers’ association contended that a school board violated this provision by not budgeting sufficient monies to cover salary step increments for teachers for the next school year. The Board disagreed, noting that at the time the school board proposed the budget it was not clear that step increments would be effective for the year since the parties were in the midst of negotiating a successor collective bargaining agreement to cover that year, and the school board was proposing a salary freeze for the year. The Board stated:

Further, the amount budgeted for salaries is not a firm and final figure necessarily indicating where the parties will settle in negotiations. It is not unusual for a lower percentage to be budgeted for salary increases for a school year than the percentage increase ultimately negotiated for that year. . . In such circumstances, the employer makes adjustments in other budget line items to ensure that the obligation to pay the difference between the amounts budgeted for salaries and the amounts negotiated is met.²

¹ 21 V.S.A. §1726(a)(6).

² Caledonia North Education Association v. Burke Board of School Directors, 18 VLRB 45, 56-57 (1995).