

Westford Teacher Salary Discussion

2017

Westford Teacher Salaries Trail Benchmarks

- Our teachers' salaries are about 6% below the averages of other school systems like ours
- This gap is too large to close in the normal town budgeting process
 - Current revenue outlook can't support this increase
- The School Committee would like to educate our community so that we can make informed choices about this critical issue

Westford Facts

- Westford students routinely perform in the top 30 school systems in Massachusetts, often in the top 10 (Boston Magazine, US News, others)
- Westford is the 24th wealthiest community in Massachusetts (top 10%)
 - Household income is \$125,143 (2014 US Census)
- Westford per pupil spending is 252nd in the state (bottom 20%)
 - \$1802 below the state average (DESE)

Key Topics

- What towns are we comparing ourselves to?
- Why address the salary gap? Why now?
- Can we handle this within the existing school budget?
- How did we get here?
- What are our options and timeline from here?

Who are we comparing ourselves to?

- We are using the comparable communities identified by the Department of Elementary and Secondary Education
 - Towns are selected based on similar student populations
 - School size, % low income, MCAS performance, special needs populations
 - This benchmark set is generally accepted by both teacher unions and superintendents in contract negotiations
- We are checking this against several other groups of towns to make sure our benchmark set makes economic sense
 - Household Income (five towns directly above and below us based on the US Census data)
 - Academic Performance (Westford and the five towns ranked directly above and below us on the most recent Boston Magazine rankings)
 - Regional (16 towns that fit within a radius around Westford)
 - The Murray Analysis (18 towns similar to Westford based on a methodology developed by Margaret Murray based on ability to pay metrics)
- For more on detailed numbers, methodology and useful links, please see the Deeper Dive section at the end of this presentation

Who is in our benchmark set?

2015-16 October Enrollment				2015 MCAS % Proficient or Higher			2015 Median Student Growth Percentile		
District Name	Total Enrollment #	Eco. Dis. %	SWD %	ELL %	ELA %	Math %	Science %	ELA	Math
Franklin*	5,510	7.4	15.5	1.3			70%		
Hingham*	4,327	4.9	12.8	0.2	88%	82%	83%	57	54
Hopkinton*	3,463	3.6	13.1	1.7	87%	79%	77%	53	61
Nashoba*	3,428	5.8	13.8	1.1	85%	81%	78%	55	54
Needham*	5,581	4.8	15.5	2.0	86%	81%	76%	54	57
Sharon*	3,472	6.4	13.1	2.8			76%		
Shrewsbury*	6,045	8.4	13.4	2.8			72%		
Wachusett*	7,343	8.1	13.2	1.6	84%	77%	73%	53	52
Wellesley*	5,075	5.3	15.4	2.0	89%	82%	71%	55	58
Westford*	5,143	4.4	13.3	1.1			83%		
Winchester*	4,591	4.5	15.6	3.9	89%	84%	85%	55	50

What do the Different Benchmark Groups Tell Us?

Benchmark Set	Salary Gap to Westford
MA Dept of Elementary and Secondary Education	6.23%
Household Income (2015)	8.62%
Competitive Schools (Boston Magazine 2015 Rank)	5.93%
Regional	4.32%
Murray Analysis	5.42%

- All benchmark groups identify gap, ranging from 4.23% to 8.62%
- The DESE market basket falls at 6.23%
- These market baskets shift as the communities in them change
- This analysis three years ago also showed the DESE at the middle of the pack

Why Address the Salary Gap?

- The School Committee believes that it is in the best long term interest of our student success to pay teachers at market levels
- Pay levels between schools are increasingly transparent and an important selection criteria for teachers
 - An important factor for excellent candidates choosing between excellent schools
 - A 6% salary gap accumulates to tens of thousands of dollars over a career
- Westford should not be at a disadvantage in recruiting and retaining great teachers

Why Now?

- We are entering a negotiation period for a new contract with our teachers
- This window to address a salary gap only opens every three years
- The gap is large enough that it is extremely unlikely that we can close it through the normal town budgeting process
 - Current projections make a significant adjustment impossible
- The Westford School Committee and Westford Teachers are fully aligned on how we see the salary gap
- We have a real, structural problem that cannot be solved through the normal process and so we see it as our duty to act now

Can We Handle This Within the School Budget?

- We are looking for opportunities to be more efficient and increased efficiency will contribute a portion of what is needed to close the gap
- The amount required, however, is much too large to be addressed by efficiency gains in discretionary spending
 - Teacher salaries alone are about 60% of the budget
 - The portion of the budget that is not mandated by the Commonwealth or managed under a Commonwealth wide buying agreement is very limited
 - During this budget cycle we will benchmark more than 95% of total spending against other communities
 - Our current per pupil spending is 252nd in the State, in the lowest 20%
- For a much more extensive look at school budget, refer to the Deep Dive section at the end

How did we get here?

- The teacher contract spanning fiscal 2012-2014 was negotiated during the recession
 - The teachers ultimately accepted a contract that had 0% increases for the first two years and a 1% increase in the third year
 - This contract helped the town navigate some financially stressful times
 - Other towns also had relatively small increases over this span, but on average not as small as Westford
- This caused the salary gap to grow significantly
- The 2015-2017 contract included raises of 2.5% per year
 - While these increases were solid, they made only minor progress in eroding the gap

Options from Here

- There are only three places additional funding can come from to fill the gap
 - Regular town budgeting process
 - Existing school budget
 - Funding secured through an override
- The School Committee believes all options need to be on the table
- We will need an additional \$3 Million/year in our school budget to close this gap for the next three years of this contract
 - This equates to \$306.82 to the average homeowner tax bill
 - \$6/week is less than three Dunkin Donuts coffees

Deeper Dive

- Alternative benchmark sets
- Drivers of school budget and savings opportunities
- Frequently asked questions

DESE Market Basket

2015-16 October Enrollment				2015 MCAS % Proficient or Higher			2015 Median Student Growth Percentile		
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Based on student populations most similar to ours as measured by the DESE

<http://profiles.doe.mass.edu/analysis/default.aspx?orgcode=03260000&orgtypecode=5&>

Household Income

- The five towns directly above and below Westford in the American Community Survey, US Census
- http://factfinder.census.gov/faces/nav/jsf/pages/guided_search.xhtml
- An easier to digest version put together by the Globe:
 - <https://www.bostonglobe.com/metro/2015/12/18/town-town-look-income-massachusetts/cFBfhWvbzEDp5tWUSfIBVJ/story.html>

Town	Median household income
Needham	\$ 129,154
Hopkinton	\$ 128,267
Lincoln	\$ 127,763
Sharon	\$ 127,413
Andover	\$ 125,321
Westford	\$ 125,143
Acton	\$ 120,865
Duxbury	\$ 120,253
Newton	\$ 118,639
Cohasset	\$ 117,679
Groton/Dunstable	\$ 116,686

Competitive Schools

Enrollment	Avg. Class	Attendance	Avg. SAT	Avg. SAT	Avg. SAT	AP Participants	AP Score	Scoring Proficient or Higher on MCAS English	Scoring Proficient or Higher on MCAS Math	Scoring Proficient or Higher on MCAS Science
Holliston	14	99	566	561	591	147	92.3	98	95	92
Winchester	15	98.5	576	576	611	224	77.3	100	99	95
Manchester Essex	16	96.6	562	573	586	144	84.4	98	97	90
Marblehead	17	96.5	558	560	572	238	83.6	97	89	89
Northboro-Southboro	18	96.9	554	560	572	326	87.8	96	93	92
Westford	19	98	577	574	606	353	92.8	98	97	95
Brookline	20	91	588	590	618	388	93	96	93	87
Westwood	21	99.1	558	552	575	260	87.8	98	97	93
Needham	22	97.5	586	590	605	369	92.1	97	95	92
Hamilton-Wenham	23	96.7	575	573	576	222	67.3	99	95	92
Masconomet	24	98.6	544	548	577	276	85.6	97	94	91

- Schools listed directly above and below Westford in the 2015 Boston Magazine Ranking
- <http://www.bostonmagazine.com/best-schools-boston-2015-chart/>

Source of Salary Data

- All salary data was drawn from the most current contracts for relevant schools
- Data was capture for each salary step
- Where the most current contract did not provide a 2018 number we used the latest number available and grew it by 1.5% annually
- Household Income data was pulled for 2014 US Census Data

Example of Data Summary

2017	<u>Duxbury*</u>	<u>Hingham*</u>	<u>Hopkinton*</u>	<u>Medfield*</u>	<u>Nashoba*</u>	<u>Needham*</u>	<u>Newburyport*</u>	<u>Scituate*</u>	<u>Sharon*</u>	<u>Wellesley*</u>	<u>Westford*</u>	Average	Westford vs Average
Bachelors													
1	\$44,660	\$48,770	\$44,250	\$45,758		\$46,959	\$45,033	\$41,779	\$45,546	\$47,541	\$42,611	\$45,291	-5.92%
2	\$46,690	\$50,836	\$46,905	\$47,849	\$48,534	\$48,981	\$46,546	\$44,285	\$47,778	\$49,521	\$44,729	\$47,514	-5.86%
3	\$48,213	\$53,004	\$49,564	\$50,036	\$51,350	\$51,422	\$48,110	\$46,788	\$50,119	\$51,584	\$46,749	\$49,722	-5.98%
4	\$51,258	\$55,261	\$52,216	\$52,324	\$55,085	\$53,863	\$49,726	\$49,300	\$52,575	\$53,733	\$48,408	\$52,159	-7.19%
5	\$54,303	\$57,620	\$54,876	\$54,718	\$57,735	\$56,423	\$53,571	\$52,227	\$55,151	\$55,973	\$49,727	\$54,757	-9.19%
6	\$56,333	\$60,062	\$57,533	\$57,218	\$61,583	\$59,135	\$55,370	\$55,147	\$57,854	\$58,306	\$51,149	\$57,244	-10.65%
7	\$58,870	\$63,954	\$60,188	\$59,835	\$65,435	\$61,932	\$57,231	\$58,062	\$60,688	\$60,734	\$53,285	\$60,019	-11.22%
8	\$60,900	\$66,166	\$62,841	\$62,570	\$68,320	\$66,130	\$59,153	\$60,995	\$63,662	\$63,263	\$55,490	\$62,681	-11.47%
9	\$62,930	\$72,254	\$65,499	\$65,432	\$71,209	\$67,461	\$61,899	\$63,919	\$66,782	\$65,900	\$57,564	\$65,532	-12.16%
10	\$65,975	\$73,699	\$68,156	\$68,423	\$74,095	\$70,044	\$63,977	\$66,870	\$70,054	\$68,646	\$60,554	\$68,227	-11.25%
11	\$68,005	\$75,173	\$70,811	\$71,550	\$76,982		\$67,177	\$69,822	\$75,839	\$71,506	\$62,204	\$70,907	-12.27%
12	\$72,065	\$76,676	\$74,803	\$76,320	\$80,060			\$73,921		\$74,486	\$65,126	\$74,182	-12.21%
13	\$75,110	\$80,199			\$82,462			\$75,399		\$77,590	\$67,137	\$76,316	-12.03%
14	\$78,155							\$77,662		\$80,822	\$74,185	\$77,706	-4.53%

Frequently Asked Questions

- How do our benefits compare with comparable communities?
- Is our turnover higher or lower than average?
- Is our teacher population similar in seniority?
- When teachers leave for pay, where do they go?

How do our benefits compare with other communities?

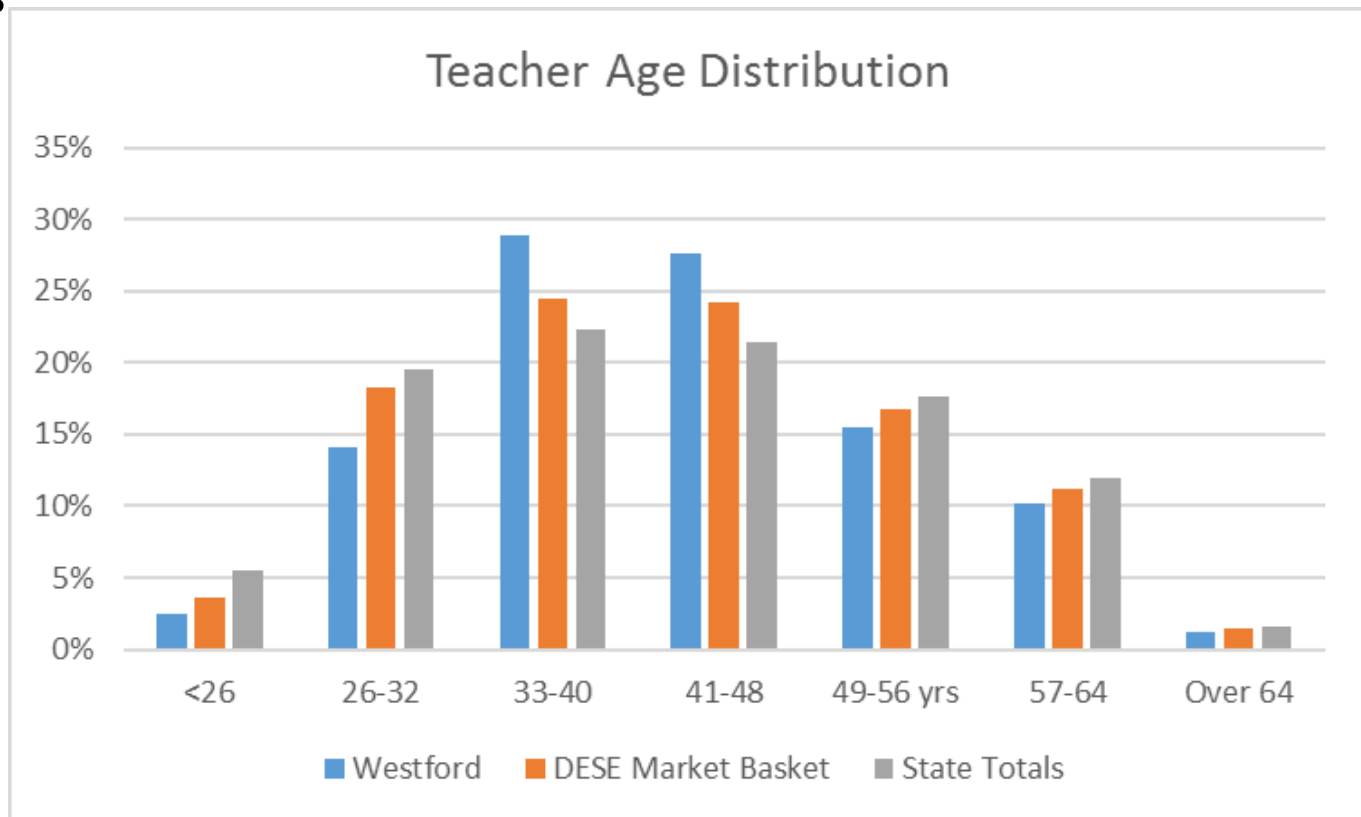
Municipality	Avg Active Individual Plan	Avg Active Family Plan	Avg Active Retiree Individual Plan	Avg Active Retiree Family Plan	Avg Medicare supplement
WESTFORD	63.3%	62.5%	63.3%	60.0%	60.0%
Commonwealth average	70.4%	69.7%	64.4%	63.4%	61.0%

Is our turnover higher or lower than average?

- Based on discussions with other like districts our turnover is slightly below average
 - Out of a group of 21 comparable towns our turnover was 8% while the average was 10%
- *But* – Awareness of pay differences (and actual pay differences) are much higher
 - The previous teacher's contract (0-0-1) magnified the pay gap and made it more visible

Is our Teacher population similar in seniority?

- 55% of our teachers are 41 or older – the DESE Market Basket has 54% in this same group and the state has 53%
- We have fewer teachers in the top age brackets, which tend to have higher salaries



When teachers leave for pay, where do they go?

- Of the last 10 teachers to leave primarily because of pay who shared where they went:
 - Lexington, Bedford, Acton, and Lincoln-Sudbury are the most common, all of which pay substantially higher pay