

Strategic Plan

Information and Advocacy Report



TO: Board of Education

FROM: Ms. Sara Errthum, Coordinator of Human Resources

DATE: March 7, 2022

RE: Information and Advocacy Report-Human Resources

Overview:

Board Goal II: Well-Being- We will provide support systems for our students and staff

⇒Objective: Support and retain faculty and staff

⇒Indicator 5: Regionally competitive compensation packages

Introduction of the Data

A partnership was formed four years ago between several districts to allow for information sharing with a focus on compensation data. A considerable amount of time was dedicated to planning and normalizing data sets for improved results, data integrity, and to reduce the lag time we experience with the current Wisconsin DPI reporting system. We recognized the value in the partnership, and therefore, the Mount Horeb Area School District has participated since the consortium's inception.

The partnership started out with about twenty-five participating districts focused in the Dane County area and has grown, with more districts participating, including districts outside of Dane County. One of the advantages of the partnership is that we are able to compare our beginning and maximum compensation with districts in Dane County. Alternatively, one limitation of this study is that the compensation of all of our neighboring districts is not included in the analysis given that they do not currently participate. Similarly, the comparison does not take into consideration the size of the district, the growth of the district which has a direct impact on its revenue limit, nor the unique needs that the district serves.

For purposes of this study, the following districts serve as our comparables: DeForest, Evansville, McFarland, Middleton-Cross Plains, Monona Grove, Oregon, Stoughton, Verona, and Waunakee.

When reviewing salary data, full consideration should be given to the value of a total compensation package. While this report does not analyze benefits, the total compensation package includes all remuneration and benefits offered to employees such as dental insurance, cash-in-lieu, retirement packages, stipends, etcetera. In addition, co-curricular remuneration is not factored in the base salary. Further, the consideration of health insurance, as an example, is an important element of the total compensation package. In a competitive environment, health insurance is a factor that continues to set a district apart from another based on features such as the plan design, premium costs, network of providers, etcetera. As an example, Mount Horeb's low deductible plan may be more valuable to an employee versus a high deductible plan like the one in DeForest. In addition, Mount Horeb's strategy to add an HMO health insurance plan to its already POS health insurance

plan for next year sets the District apart from others for two reasons. First, this was done while not changing plan design. Second, this HMO option allows the employees, not the district, to receive the premium savings through a much lower deduction in their paychecks. Another important factor to consider is the district’s post-employment retirement benefit. Mount Horeb continues to offer qualified retirees the opportunity to continue their health insurance coverage for a specified number of years. The district’s contribution is based on the employer’s contribution at the time of retirement. . This is not a benefit that has been continued by all districts and certainly helps to set our district apart.

We may not know the facts supporting the hourly rate in order to better understand whether the hourly rate is truly comparable or if it is an outlier. For example, Mount Horeb provides an additional stipend to support staff who work under 30 hours per week. This is in addition to a qualifying employees’ hourly pay. For example, employees who work more than 30 hours per week are offered health insurance benefits; employees who work over 20 hours per week (but less than 30 hours) receive an annualized stipend of \$1,000¹; and employees who work 20 hours or less per week receive an annualized stipend of \$500²). This stipend appears to be a unique benefit offered by the district and is a very important variable when examining hourly rates.

In order to provide an even more complete picture of our support staff wages, it is also essential to note that Mount Horeb Area School District developed a longevity model that enhances employee pay for support staff. The table below reflects those milestone dates and the associated longevity enhancement per hour.

1 Year	2 Year	3 Years	5 Years	10 Years	15 Years	20 Years	25 Years	30 Years
\$0.20	\$0.20	\$0.20	\$0.30	\$0.40	\$0.40	\$0.40	\$0.40	\$0.40

What Does the Data Tell Us?

Non-exempt (i.e. hourly) and exempt (i.e. salaried) data was evaluated in three dimensions: the beginning rate (or lowest recorded rate), the median amount, and the maximum (or highest recorded base rate) amount. A recommended compensation strategy is to stay in the middle of the comparable data set.

This year’s wage increases included longevity/level advancements (when applicable) as well as an additional 1.23% increase. The 1.23% figure is representative of the Consumer Price Index - Urban (CPI-U). The CPI-U was established as the benchmark by the 2011 passage of Act 10. As stated earlier in this report, while this report’s data does not analyze benefits, the District did absorb benefit increases in its budget. For example, in 2021/2022 health insurance increased 6% in premiums and the District continues to absorb 88% of the total premium.

¹ less Social Security and Medicare taxes

² less Social Security and Medicare taxes

Custodians

	Beginning	Median	Maximum
Mount Horeb	\$15.07	\$15.69	\$20.17
Comparison Average (10 Districts)	\$17.49	\$18.70	\$24.04
Range (from 10 Comparison Districts)	\$14.50 - \$19.85	\$15.69 -20.53	\$20.17 - 28.61

*Data is not reflective of head custodian wages

General Education Paraprofessionals

As part of the District's 2021-22 budget, the Board of Education approved the administration's recommendation to increase all paraprofessionals' hourly wages by the CPI-U (1.23%) and afford qualifying members longevity advancements. In the 2019/2020 school year, the Board of Education approved the administration's recommendation to provide an additional one dollar per hour wage increase in addition to the CPI and longevity.

	Beginning	Median	Maximum
Mount Horeb	\$14.17 ³	\$15.36	\$19.79
Comparison Average ⁴ (8 Districts)	\$15.78	\$17.23	\$21.23
Range (from 8 Comparison Districts)	\$14.17 - 17.32	\$15.36 - \$19.95	\$17.76 - \$25.62

³ This is the base wage only and is not inclusive of the annualized stipend, where applicable. For example, if an employee works 950 hours annually (and thereby, does not qualify for health insurance) they will receive a \$923.50 stipend (\$1,000 less FICA/Medicare). This is similar to receiving an additional \$0.97 per hour for the stipend.

⁴ Two of the participating districts did not specify the hourly rate for general education paraprofessionals, but they provided the hourly rate for special education paraprofessionals. This may be because they do not differentiate between general education and special education paraprofessionals.

Special Education Paraprofessionals

As part of the District's 2021-22 budget, the Board of Education approved the administration's recommendation to increase all paraprofessionals' hourly wages by the CPI-U (1.23%) and afford qualifying members longevity advancements. In the 2019/2020 school year, the Board of Education approved the administration's recommendation to provide an additional one dollar per hour wage increase in addition to the CPI and longevity.

	Beginning	Median	Maximum
Mount Horeb	\$15.48 ⁵	\$16.69	\$21.13
Comparison Average (10 Districts)	\$16.39	\$17.66	\$23.67
Range (from 10 Comparison Districts)	\$14.75 - \$18.06	\$15.79 - \$19.37	\$19.33 - \$40.11

Food Service

As a reminder, the food service program operates independently from the District's general fund. It is also important to note that because of its sound financial position, our food service program has not traditionally needed financial assistance from the District's general budget to operate. Not every school district experiences this success.

	Beginning	Median	Maximum
Mount Horeb	\$13.16 ⁶	\$14.16	\$17.79
Comparison Average ⁷ (7 Districts)	\$15.24	\$16.11	\$19.70
Range (from 7 Comparison Districts)	\$13.16 - \$16.39	\$14.16 - \$18.16	\$17.53 - \$24.75

⁵ See footnote 3

⁶ See footnote 3

⁷ Three of the participating districts did not specify an hourly rate for food service. This may be due to outsourcing this service.

Administrative Assistants

	Beginning	Median	Maximum
Mount Horeb	\$14.43 ⁸	\$16.75	\$26.32
Comparison Average (10 Districts)	\$17.67	\$21.37	\$30.45
Range (from 10 Comparison Districts)	\$14.43 - \$20.66	\$16.75 - \$25.68	\$26.32 - \$36.54

Bus Drivers

Among the many value-added attributes of our District's salary system is the aforementioned stipend (please see page 2 of this report), meal reimbursements, holiday pay, paid time off, and a very flexible leave policy. These benefits are unique to Mount Horeb, as we confirmed that these are not always provided in the private sector.

	Beginning	Median	Maximum
Mount Horeb	\$17.80 ⁹	\$18.73	\$20.75
Comparison Average ¹⁰ (4 Districts)	\$19.17	\$20.45	\$21.84
Range (from 3 Comparison Districts)	\$17.80 - \$20.59	\$18.15 - \$22.87	\$19.47 - \$23.92

Pulling comparative salary data for our valued bus drivers proved to be a bit more challenging. Mount Horeb is one of a few local districts that operates transportation services in-house and owns its own fleet. The districts that contract services with transportation companies do not specify the wage details for bus drivers.

⁸ See footnote 3

⁹ See footnote 3

¹⁰ Six of the participating districts did not specify an hourly rate for food service. This may be due to outsourcing this service.

Faculty

	Beginning	Median	Maximum
Mount Horeb	\$41,504	\$54,732	\$80,384
Comparison Average (10 Districts)	\$42,847	\$57,708	\$80,299
Range (from 10 Comparison Districts)	\$40,000 - \$47,660	\$52,400 - \$64,000	\$72,900 - \$94,826

It is important to note, seldom does the Mount Horeb Area School District hire employees at the beginning salary. We are viewed as a destination district to many in the region. This often means our chosen candidates come to us with experience. Once here, they generally stay until retirement.

Summary

There are many reasons the Mount Horeb Area School District remains a destination district. Among the primary factors are: geographic location, district educational philosophy, working conditions, instructional support, respected and knowledgeable employees, favorable cost of living, and competitive employee benefits/salaries. These factors, coupled with the Board's implementation of the employee referral program, will go a long way in ensuring we have the very best and brightest talent in front of our children each day. We believe when considering the totality of this information, we have an unmatched advantage due to the stewardship of the Board, the leadership demonstrated by administration, the dedication of the staff, and the support of the Mount Horeb community.