

Collective Bargaining Agreement

METHACTON EDUCATION ASSOCIATION
AND BOARD OF SCHOOL DIRECTORS
OCTOBER 18, 2022

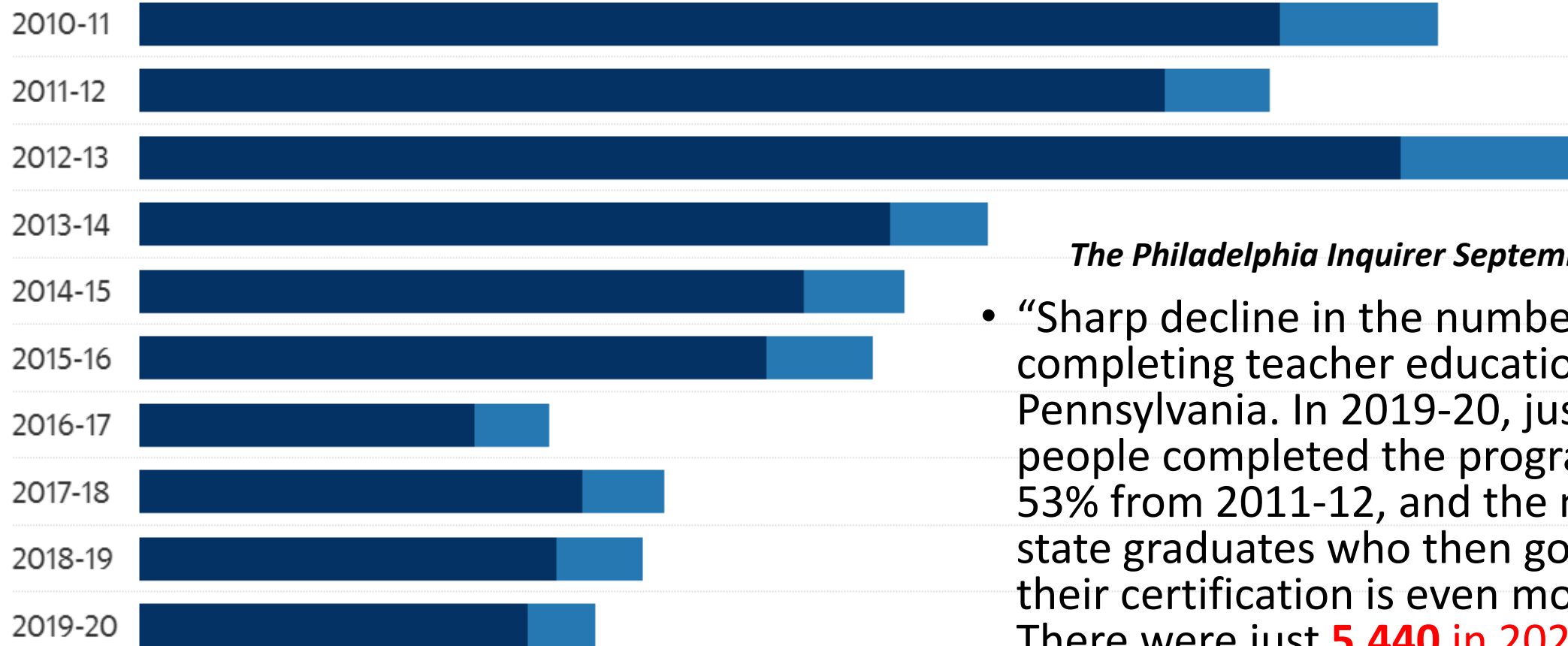
Recommendation

Approve the amendment to the collective bargaining agreement between the Methacton School District and the Methacton Education Association dated July 1, 2020 to June 30, 2024, and to further extend the collective bargaining agreement through June 30, 2026, in accordance with the attached presentation.

INSTRUCTIONAL I CERTIFICATES ISSUED IN PA

Instructional I certificates are temporary/provisional certificates valid for up to six years.

■ In State ■ Out of State



The Philadelphia Inquirer September 17, 2022

- “Sharp decline in the number of students completing teacher education programs in Pennsylvania. In 2019-20, just 5,553 people completed the programs, down 53% from 2011-12, and the number of in-state graduates who then go on to get their certification is even more startling: There were just **5,440 in 2020-21, according to state Education Department data, down from 15,031 a decade earlier.**”

Chart: Matt Hymowitz mhymowitz@centredaily.com • Source: Pa. Department of Education

Key Concepts

Market dictates need for us to take action to best position our district for the future

Strategic plan – Strategy 7H – Improve our competitive attractiveness

Goal was to get starting salary to \$60k in 3 years (currently \$49K)

Waiting two years will increase the challenge/uncertainty

- Regular contract negotiations would begin January 2024
- Supply of new teacher certificate issuance by State continues downward trend
- Consider impact of \$7k-\$10K pay differential + talent poaching on ability to sustain and grow programs

Talent Poaching

Last 2 years, ten (10) Methacton teachers left Methacton to take similar position elsewhere for average of \$10,033 higher salary

Positions

- MHS School Psychologist
- School Counselor
- 2 World Language
- Chemistry/Physics
- English
- Elementary ELD
- Tech Ed
- Elementary Special Education
- Secondary Special Education

Key Concepts

Consider 15 candidates in recent summer hiring window turned down offer due to compensation

Consider impact of the retirement notification process allowing us to get a jump on hiring to then have 4 new hires in May, leave in the Summer for same position with more pay

Consider property values are directly tied to the quality of education and that the quality of a child's education is directly correlated to the quality of the teacher

Competitive Attractiveness

Competition for talent

- Wages & benefits
 - Act 1 Index
 - Used to determine the maximum tax increases for each tax the school district levies (without PDE exception or voter approval)
 - The index is calculated by averaging the percent increases in the Pennsylvania statewide average weekly wage and the Federal employment cost index

School District	18-19	19-20	20-21	21-22	22-23	23-24
Act 1 Index	2.40%	2.30%	2.60%	3.00%	3.40%	4.10%
Methacton Increase %	1.98%	1.12%	1.56%	1.33%	1.24%	

Agreement

For approval October 25, 2022

- Amend collective bargaining agreement dated July 1, 2020 to June 30, 2024, and to further extend the collective bargaining agreement through June 30, 2026
 - Includes language modifications increasing administrative flexibility
 - Includes 1 additional work day
 - Includes employee healthcare premium contributions
 - Yr1-19%, Yr2-20%, Yr3-20% and Yr4-21%
 - Includes average salary increases:
 - Yr1- 3.75%, Yr2- 6.84%, Yr3- 4.13% and Yr4- 4.53%
 - Brings starting salary by year 3 to \$60K

Year 1 of 4 Year Agreement

No Tax Implication (rate already established)

Fund Use

- 2022-2023 budget surplus
- \$800K State subsidy increase
(not factored as part of revenue in annual budget)
- \$700K – Transfer to capital line item
- \$200K – Budgetary reserve line item
- \$?K – Attritional salary and benefits

New Salary schedule will go into effect December 1, 2022

Total = \$1,512,361.22

	2022-2023 Original	2022-2023	Net Change
Salary Increase %	\$33,238,600.00	\$34,483,802.93	\$1,245,202.93 3.75%
PSERS RATE	35.26%	35.26%	35.26%
PSERS (50%)	\$5,859,965.18	\$6,079,494.46	\$219,529.28
SS RATE	7.65%	7.65%	7.65%
SS (50%)	\$1,271,376.45	\$1,319,005.46	\$47,629.01
Total Costs	\$40,369,941.63	\$41,882,302.85	\$1,512,361.22
STEP		0.0	

Year 2 of 4 Year Agreement

Forecasted 2023-2024 tax increase 2.79-3%

- Need approximately 2.5% tax increase to cover salary

Total estimate = \$2,868,308.90

	2023-2024	Net Change
Salary Increase %	\$36,841,252.50	\$2,357,449.57 6.84%
PSERS RATE	35.69%	35.69%
PSERS (50%)	\$6,574,231.51	\$420,686.88
SS RATE	7.65%	7.65%
SS (50%)	\$1,409,177.91	\$90,172.45
Total Costs	\$44,824,751.92	\$2,868,308.90
STEP	0.5	

Year 3 & 4 of Agreement

Forecasted need of about 1.5-2% tax increase for each year

Total Year 3 Estimate = \$1,851,934.95

Total Year 4 Estimate = \$2,119,293.28

	2024-2025	Net Change
Salary Increase %	\$38,361,287.75	\$1,520,035.25 4.13%
PSERS RATE	36.02%	36.02%
PSERS (50%)	\$6,908,867.92	\$273,758.35
SS RATE	7.65%	7.65%
SS (50%)	\$1,467,319.26	\$58,141.65
Total Costs	\$46,737,474.93	\$1,851,934.95
STEP	1.0	

	2025-2026	Net Change
Salary Increase %	\$40,097,488.37	\$1,736,200.62 4.53%
PSERS RATE	36.48%	36.48%
PSERS (50%)	\$7,313,781.88	\$316,682.99
SS RATE	7.65%	7.65%
SS (50%)	\$1,533,728.93	\$66,409.67
Total Costs	\$48,944,999.18	\$2,119,293.28
STEP	1.0	

Language

Middle School Team Structure

- Removed restrictions on assigning teachers to allow for teaming and better coverage planning/response

Revisions and addition of Team Meeting Period to bring clarity to various teacher prep and team time structure

- Clarifies use of team time for various educational matters and work with administration

Language

Additional workday

- Currently the staff works 190 workdays (181 student days, 6 in-service days, 2 flex days, and 1 professional service commitment day)
- Starting in the 2023-2024 school year the staff will now work 191 workdays

Coverages

- Increase clarity on existing coverage language and eligibility for compensation
- Adding language for non-classroom professional staff such as school counselors to ensure consistency

Timeline

October 17, 2022

Association Votes on Amendment

October 18, 2022

Work Session Presentation to Board

October 25, 2022

Vote on Amendment (Board Voting Meeting)

December 15, 2022

1st pay (goes into effect Dec 1)

Overall

Helps proactively position Methacton in better wage competitive space at entry level and across the spectrum of positions/experience

Helps limit poaching of seasoned talent

Provides additional administrative flexibility for managing resources

Affirms Board commitment to community and education

Best positions our district for the future

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