

School Supplement Funding

Background

- Schools staff identified issue with financial sustainability of the current supplement model during FY 2021 budget preparation
- Group initially met in February of 2020 for initial conversations – onset of COVID-19 pandemic, and the associated financial uncertainty, halted any further conversation for FY 2021 budget implementation.
- Schools and County staff agreed to “pause” the supplement at the FY 2020 rates and convene a working group to determine a new supplement model that would be sustainable over the long-term
- During FY 2022 budget preparation process, both Schools and County staff agreed that FY 2022 would be final year before implementing any new model
- Group reconvened during spring and summer of 2021 to work on model – the result of that model is what we are presenting today

Goals of a new supplement model

- Maintain agreed upon funding level goals
 - Maintain average supplement compensation standing of top 5 within our region
 - Maintain average supplement compensation standing of top 10 within the state
- Long-term sustainability
 - Ability to fund the model over the long-term with (hopefully) minimal adjustments
- Financial flexibility
 - Retain our ability to address other issues as they arise (including both continuation issues and needed expansion items/programs)
- Hold School Staff Harmless
 - An initially unstated goal
 - No supplement pay should decrease as a result of a change in supplement models

Supplement Models

Current Model:

Certificate	Years	Supplement % of Salary
A	00-05	12.00%
A	06-10	13.00%
A	11-15	13.75%
A	16-20	14.00%
A	21-25	15.00%
A	26+	15.75%
M	00-05	12.50%
M	06-10	13.50%
M	11-15	14.25%
M	16-20	14.50%
M	21-25	15.50%
M	26+	16.25%

Proposed Model:

Certificate	Years	Base Amount	Supplement % of Salary
A	00-05	4,800	0.00%
A	06-10	5,400	1.25%
A	11-15	6,000	2.00%
A	16-20	6,600	2.50%
A	21-25	7,200	2.75%
A	26+	7,800	3.00%
M	00-05	5,800	0.50%
M	06-10	6,400	1.75%
M	11-15	7,000	2.75%
M	16-20	7,600	3.25%
M	21-25	8,200	3.50%
M	26+	8,800	3.75%

Supplement Models cont'd...

- Initial goal of Holding School Staff Harmless
 - Proposed supplement model provides for hold harmless + a minimum of \$250 increase over current supplement
 - If new model provides more than \$250 increase over current supplement, receive that amount. If new model provides less than \$250 more than current supplement, then receive current supplement + \$250
- Classified employee supplement – proposing an increase of \$200 to each of the service year groups
 - 00-05 Years - \$800 → \$1,000
 - 06-10 Years - \$900 → \$1,100
 - 11-15 Years - \$1,000 → \$1,200
 - 16-20 Years - \$1,100 → \$1,300
 - 21-25 Years - \$1,200 → \$1,400
 - 26+ Years - \$1,300 → \$1,500
 - Paid in 2 equal installments (November/June) – no change from current payment schedule

Example 1

Employee – A certificate with 3 years of experience

Current Supplement - \$4,560.00

Proposed Supplement - \$4,800.00

Supplement Increase - \$240.00

Employee held harmless up to \$250.00

Employee – M certificate with 3 years of experience

Current Supplement - \$5,225.00

Proposed Supplement - \$6,009.00

Supplement Increase - \$784.00

Example 2

Employee – A certificate with 14 years of experience

Current Supplement - \$6,737.50

Proposed Supplement - \$6,980.00

Supplement Increase - \$242.50

Employee held harmless up to \$250.00

Employee – M certificate with 14 years of experience

Current Supplement - \$8,518.65

Proposed Supplement - \$8,643.95

Supplement Increase - \$125.30

Employee held harmless up to \$250.00

Example 3

Employee – A certificate with 25 years of experience

Current Supplement - \$7,800.00

Proposed Supplement - \$8,630.00

Supplement Increase - \$830.00

Employee – M certificate with 25 years of experience

Current Supplement - \$8,866.00

Proposed Supplement - \$10,202.00

Supplement Increase - \$1,336.00

Cost Analysis

- Anticipated additional cost = approximately \$800,000
 - +\$180,000 – anticipated benefits cost increases
 - +\$200,000 – adjustments to classified supplement
 - +\$355,000 – estimated cost of certified supplement increases
 - +\$65,000 – estimated cost of increasing hold harmless minimal to +\$250 increase over current supplement pay
- Cost increase of approximately 10% from current budget
- With anticipated additional costs, total supplement budget would be \$8 million

Next Steps

- Present to Board of Education for approval (November 8)
- Present to Board of Commissioners for approval (November 15)
- Prepare to implement for FY2023 budget development

Questions?
