



# Shrewsbury Public Schools

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Thomas M. Kennedy,  
Director of Human Resources

March 22, 2012

To: School Committee, Board of Selectmen, Finance Committee, Town Manager

Subject: Teacher Compensation (re: John Lukach memo of March 20, 2012)

On Wednesday afternoon, March 21, I received a copy of the March 20 memo from Mr. Lukach that was sent to the Board of Selectmen and the Finance Committee relative to the FY 13 budget. Among the items addressed in the document were several issues regarding teacher compensation.

Due to some incorrect assumptions on the part of Mr. Lukach the information he supplied regarding teacher compensation is not accurate. I will explain the inaccuracies below. I have also shared this information with Mr. Lukach today.

Exhibit 4 regarding salary increases for staff not on top step indicates an average 7.4% increase, which includes both the step increase and the cost of living increase. In the school department's budget book the costs of the FY 13 increase are detailed on page 94. For the staff receiving step increases the actual increase works out to be an average of 6.55%. Also, keep in mind that as a condition of the 2.75% cost of living increase, the work year is increasing by two days for the 2012/13 school year. Each day equates to 0.5%. Also, keep in mind there was no cost of living increase for those on steps for both the 2009/10 and 2010/11 years. For the 2011/12 year there was a 1% cost of living increase. Over the 4 years the average cost of living increase for those on steps equates to 0.94 percent.

Exhibit 5 illustrates salary progression for a teacher from the 2003/04 year through the 2012/13 school year. Mr. Lukach indicates that a teacher would have progressed from step 1 in the 2003/04 year to step 10 for the 2012/13 year. In fact, due to a step freeze and reducing the number of steps, this teacher will be at step 8 for the 2012/13 year. Using the bachelor's degree salary column provided in Mr. Lukach's memo, the actual cumulative increase over 9 years is \$ 22,829 and not the \$ 29,126 shown in the memo. The percent increase is 67.3% versus 85.9%. The 67.3% cumulative percent increase equates to 7.5% and not the 9.5% in Mr. Lukach's memo.

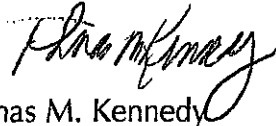
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Exhibit 5 also illustrates a teacher who started the 2003/04 year at step 3. Due to inaccurate assumptions, Mr. Lukach has this teacher at step 12 for the 2012/13 year. In reality, this teacher will be at step 10 for the 2012/13 school year (due to a step freeze and reducing the number of steps). Using the bachelor's degree salary example provided by Mr. Lukach, he shows the cumulative salary increase is \$ 36,110 for a 96.8% increase over 9 years. The correct information is \$ 25,421 and a 68.1% increase over 9 years. The average increase is 7.6% versus the 10.8% from Mr. Lukach's document.

Detailed information on teacher compensation is included in the FY 13 budget book on pages 91 to 111, including the details of the early retirement incentive.

As in past years I have made myself available to meet with Mr. Lukach to review teacher compensation. I am also available to meet with members of the Board of Selectmen and Finance Committee to answer questions relative to teacher compensation.

Respectfully,



Thomas M. Kennedy  
Director of Human Resources