

Haverhill School Committee Negotiations with HEA

HSC Teacher Compensation Package

Objectives

We seek to provide a safe and productive working environment, support for teachers in the classrooms, and reliable competitive compensation to attract and retain a high-quality teaching staff.

Compensation environment

The School Committee believes it is important to be competitive with surrounding communities with our salary and benefits package. We believe our current teacher salaries are competitive in the local market. We wish to provide for adjustments that will sustain our relative position in the coming years with the understanding that our ability to do this depends on funding.

2024-25 Teacher Salaries, Haverhill and 17 Nearby Districts

	Haverhill	Nearby Median	% diff
Base starting salary	\$53,753	\$54,071	-0.6%
Bachelors w 5 years	\$68,411	\$66,723	2.5%
Teacher with a Masters w 5 years	\$75,726	\$71,050	6.6%
Teacher with a Masters + 30 w 10 years	\$92,610	\$96,261	-3.8%
Teacher with a Masters + 45 w 20 years	\$100,546	\$100,360	0.2%

Three districts without posted contracts with a salary table for 2024-25 are represented by 2023-24 salaries plus 3%

Sustaining competitive compensation in our local market of higher-income communities requires continued support from our local taxpayers and continued commitments from state and (indirectly) federal sources. We face challenges for funding from all three types of sources in the coming contract period. City funding is constrained by state law that limits annual tax increases to 2.5%. The recent period of real growth (higher than inflation) in state funding for schools appears to be ending. Caps on foundation inflation adjustments in two recent years (FY 2023 & FY 2024) have reduced foundation budgets in all future years by 6 percent. We are also approaching the end of several years of funding increases provided by the Student Opportunity Act.

These are uncertain economic times for Haverhill. In the coming contract period we expect to see less federal stimulus directed to consumers, higher tariffs leading to higher costs, reduced federal education funding, likely federal Medicaid cuts that will stress the Massachusetts state budget, and a slowing economy with lower growth in employment and wages. Over the next three years we expect a slowing economy, public sector layoffs, and reduced federal funding for public education. This will mean more modest increases in salaries for teachers in our local market.

The Haverhill Public School budget is tight this year and is expected to be tighter still in FY 2026, with much uncertainty for FY 2027 and beyond. We need to plan carefully for the coming three years. We have only two more years of funding increments from the Student Opportunity Act after the cap on the foundation inflation index set back funding by 6%. We may need to adjust to any significant changes in state or federal education financing,

Compensation Package

This is a package for discussion; no part is proposed except as part of this package and the entire CBA. We will work toward a compensation package that includes:

- **Upward-only market adjustments.** Upward market adjustments in 29 cells of the salary table, *to match the median of teacher salaries in nearby districts*. This preserves higher Haverhill salaries for teachers with Bachelor's +15 and Bachelors + 30 and Masters base and 5 years columns. Many districts do not include columns for Bachelor's +15 and +30 as Haverhill does in its teacher salary schedule. Pay in these cells runs 2% to 6% higher than the median of nearby districts. Haverhill salary table cells that were above the median of nearby districts are **not** adjusted downward.
- **Adjustments for expected inflation.** Cost-of-living adjustments to total 6 percent over 3 years.
- **Automatic step increases.** In addition to market adjustments, and COLA, salary schedule annual step increases average 3.08% or \$2,311 for those not at the maximum Step 14.
- **Education lane increases.** Education lanes are maintained. Lane advancements have recently accounted for increasing aggregate compensation by 0.6% each year.

Incentive for timely agreement.

- **Avoiding a late start to salary increases.** Proposed salary rates for the contract period will begin with the next pay period following execution. final approval, and delivery of the signed collective bargaining agreement. We are not proposing to make salary increases retroactive, nor are we reserving funds for such payment.

Summary of Compensation Package

Most Haverhill teachers would see salary increases of 3% to 6% annually, with upward market adjustments averaging about 0.46% for 2025-26, inflation adjustments totaling 6% over three years, step increases averaging about 3% annually for those eligible, and education lane increases depending on achievement that have increase compensation by about 0.6% annually.

We believe that this framework provides a solid basis for timely agreement on a collective bargaining agreement for Haverhill Public Schools teachers.