

EXECUTIVE SUMMARY
PART I, REVENUE AND EXPENDITURE TRENDS IN MONTGOMERY COUNTY

At the request of the Montgomery County Council, the Office of Legislative Oversight examined the tax supported revenue and spending trends over the past ten years and projected for the next six years. The purpose of the review, which included Montgomery County Government, Montgomery County Public Schools, Montgomery College, and the Maryland-National Capital Park and Planning Commission, was to:

- Quantify patterns of revenue and spending, and analyze how agency budget growth compared to changes in factors such as inflation and population, and increases in school enrollment.
- Identify past and emerging “cost drivers,” and improve understanding of how previous decisions regarding revenue and spending affect current and future budgets.
- Compile data on the County’s spending “commitments,” defined as items that the County is obligated by law and/or policy to fund; these commitments include debt service, health insurance for active and retired employees, pension plan payments, and contributions to the County’s fund reserves.
- Based on the revenue assumptions contained in the most-recently adopted Fiscal Plan, describe the parameters of the County’s future challenge to achieve a structurally balanced budget.

A. THE STRUCTURAL BUDGET CHALLENGE DEFINED

The cost pressures and difficult trade-offs facing Montgomery County are by no means unique. Vigorous debates are taking place across the country about how to recover from the most serious recession since the Great Depression. With few exceptions, state and local governments are grappling with how to address fiscal projections that show a massive imbalance between expected revenues and desired expenditures.

The imbalance today between projected revenues and desired expenditures in Montgomery County, similar to the imbalance in other places, contains both cyclical and structural components. A “cyclical budget gap” is a short-term imbalance between projected revenues and desired expenditures that reflects the ups and downs of the business cycle. In contrast, a “structural budget gap” exists when projections of expenditures exceed projections of ongoing revenues on a persistent and recurring basis. The distinction between the two is that a structural budget gap continues to exist even when revenue growth resumes.

A common ingredient of the budget challenge facing jurisdictions across the country is the increasing portion of tax supported budgets that must be allocated to fixed spending commitments. In Montgomery County, these commitments include debt service, health insurance for active and retired employees, pension plan payments, current revenue contributions to the capital budget (PAYGO), and contributions to the County’s fund reserves. A structural budget problem becomes increasingly evident when the projected cost increases of a government’s commitments exceed its projected revenue growth. This is precisely the situation facing Montgomery County for the foreseeable future.

The traditional scenario for making annual budget decisions no longer works when a jurisdiction faces a structural budget problem. Under the traditional scenario, projected revenue for the upcoming fiscal year is sufficient to: fully fund the current year’s budget (again), absorb growth in the cost of commitments, and pay for new initiatives, such as program expansions and pay increases for employees. In the current climate, revenue growth for the foreseeable future is unlikely to keep pace with the steadily rising costs of the public sector’s spending commitments. **Montgomery County, like many other governments, now faces the extraordinary challenge of bringing projected revenues and spending into alignment, which can only be accomplished by raising more revenue or making reforms that bend the future cost curves downward.**

B. OVERVIEW OF REVENUE AND SPENDING FY02-FY11

1. **From FY02 to FY11, the tax supported agency budgets in Montgomery County collectively increased 59% from \$2.1 billion to \$3.4 billion.** The macro-cost curve shows annual increases of 7-9% between FY02 and FY08. Total tax supported spending leveled off in FY09 and posted actual declines in FY10 and FY11. During the same ten year period, inflation was 29%, the County's population grew 12%, median household income increased 21%, and the County's assessable property tax base increased 114%.
2. **The County's increased budgets supported some notable expansions in agency services, including:**

| | |
|--|--|
| <u>Montgomery County Public Schools</u> <ul style="list-style-type: none">• Reduction in class size• Expansion of full-day Kindergarten• Enhanced staff development programs <u>County Government</u> <ul style="list-style-type: none">• Additional public safety personnel• Expanded Ride-On service hours• More resources for health & housing programs | <u>Montgomery College</u> <ul style="list-style-type: none">• Expanded services to meet 32% enrollment increase• Opening of new facilities <u>M-NCPPC (Montgomery County portion)</u> <ul style="list-style-type: none">• 12% increase in park land• Creation of the Legacy Open Space Program |
|--|--|
3. **The County's budget growth was funded by a combination of more property tax revenue, higher income and excise tax rates, and substantial growth in State aid (mostly to MCPS).** Over the ten years, revenue growth in the County outpaced inflation and population increases by about 20%. The ten year average annual revenue growth rate of 6% (FY02-FY11) is twice the forecast for the next six years, which is for an average annual growth rate of 3%.
4. **In FY11, MCPS received 57% of total tax supported agency allocations and County Government received 34%; the balance went to Montgomery College (6%) and M-NCPPC (3%).** The allocation among the four tax supported agencies remained largely unchanged during the past decade, although how money is spent within each agency evidenced some shifts. Notable trends included a higher portion of agency budgets spent on employee benefits and a higher portion of County Government resources dedicated to public safety services.
5. **Conceptually, debt service can be considered a fifth agency because it must be paid from the same pot of tax supported dollars.** During the past decade, debt service payments increased 47% from \$177 million in FY02 to \$260 million in FY11. If the County issues General Obligation bonds at the rate projected in the most recent CIP (\$325 million/year), the cost of debt service will increase to \$391 million in FY16, a 50% increase from FY11. By FY16, debt service is projected to cost more than the combined tax supported budgets of the College and M-NCPPC.

C. TRENDS IN COSTS OF THE WORKFORCE (EMPLOYEE PAY AND BENEFITS)

1. **Personnel costs (pay and benefits) account for 82% of all tax supported spending. Between FY02 and FY11, personnel costs increased 64% while the total number of workyears increased 10%.** The workforces at all four agencies fluctuated during the past decade, but only MCPS and the College workforces are measurably larger today compared to ten years ago. Specifically, from FY02-FY11, MCPS' workyears increased 14% while MCPS enrollment increased 6%; Montgomery College's workyear growth of 30% paralleled the College's enrollment growth of 32%.

2. **Between FY02 and FY11, the primary driver behind higher personnel costs was not an increase in the size of the workforce but rather the increase in average costs per employee.** Across the four agencies, employee salaries grew by 50% in the aggregate and by higher amounts (up to 80%) for individual employees, while the costs of health and retirement/pension benefits increased upwards of 120%. **In FY11, the combined agency cost of employee benefits is almost \$740 million, or 22% of all spending.** (This total would be higher had the agencies made FY11 payments to their OPEB trust funds.)
3. **Another way to track the rise in spending on employee benefits is to calculate their cost as a percent of salary.** As one example, for County Government, the aggregate cost of employee benefits as a percent of salary increased from 35% in FY02 to 52% in FY11. This means that for every \$1 the County spends on salary, it now pays 52 cents for benefits. The drivers behind these rising costs are the overall rise in health care costs, and major increases in annual pension/retirement plan contributions. Especially noteworthy is that during the past decade, the per employee cost of a defined benefit pension increased at more than twice the rate of a defined contribution retirement plan.

D. LOOKING FORWARD

1. **The balanced six-year Fiscal Plan adopted by the Council shows tax supported revenues (within the Charter limit) steadily increasing at about 3% per year.** Although these projections show FY16 tax supported revenue that is 16% higher than current year (FY11) revenue, it is important to recognize that the County's revenue is projected to grow at half the rate it did during the past decade.
2. **Looking ahead to FY12-FY16, the County's budget allocation decisions will increasingly be dominated by costs that are resistant to change.** The most striking trend contained in agency cost projections is the steady growth in the total costs of the County's legal and policy commitments, which by FY16 will sum to about \$1.6 billion, or about one-third of all available resources. The calculation of these commitments includes the costs of debt service, health insurance for active and retired employees, retirement/pension benefits, and contributions to the OPEB trust, PAYGO, and County fund reserves.

OLO concludes that the County faces a structural budget problem. The steadily rising costs of the County's legal and policy commitments, many of which are resistant to change, are projected to exceed the growth in anticipated revenues for the foreseeable future. The magnitude and recurring nature of these costs means that one-time solutions are insufficient to resolve the problem. In order to achieve long-term fiscal sustainability, the County must consider reforms that either raise more revenue or lower the projected cost curves associated with ongoing government operations and future promises.

E. OPTIONS FOR LONG-TERM FISCAL BALANCE

OLO's Part II report (scheduled for Council release on 12/7/10) will contain options for changes that could help achieve long-term fiscal balance in the County. The report will consist of a series of issue papers on the topics listed below. Part II will also contain some comparative information about reforms being considered by other state and local governments, and a County Attorney's opinion on the legal issues related to changing employee pay and benefits.

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| • Pension/retirement benefits | • Operating expenses |
| • Health benefits for active employees | • Debt |
| • Health benefits for retirees | • Revenue |



MEMORANDUM

November 19, 2010

TO: County Council

FROM: Karen Orlansky^{KO}, Director
Office of Legislative Oversight

SUBJECT: **Office of Legislative Oversight Report 2011-2:
Achieving a Structurally Balanced Budget in Montgomery County,
Part I: Revenue and Expenditure Trends**

The County Council assigned the Office of Legislative Oversight a two-part project on the topic of achieving a structurally balanced budget in Montgomery County:

Part I, Revenue and Expenditure Trends, analyzes the revenue and tax supported spending trends of the past decade, and identifies the parameters of the County's fiscal challenge going forward.

Part II, Options for Long-Term Fiscal Balance, presents options for specific changes that could help the County achieve long-term fiscal balance of projected revenues and expenditures.

On November 23rd, OLO staff will present the Council with the results of our Part I analysis. Receipt and release of OLO's Part II report is scheduled on the Council's agenda for December 7th.

OLO appreciates the cooperation received from the leadership and staff of the County Government, Montgomery County Public Schools, Montgomery College, and Maryland-National Capital Park and Planning Commission. This assignment was a major undertaking during a compressed time period; OLO's work was greatly facilitated by the reliable and constructive assistance of the four agencies involved. Special thanks are also owed to the Council Staff Director and the many other Council staff members with whom we consulted regularly.

I also want to recognize and thank OLO staff for their diligence and dedication demonstrated throughout the course of this project: Elaine Bonner-Tompkins; Teri Busch; Sarah Downie; Craig Howard; Kristen Latham; Jennifer Renkema; Sue Richards; Leslie Rubin; Aron Trombka; and our volunteer graduate student Amanda Albert. Each member contributed his/her unique talents, but also supported one another so that the work progressed as a collective team effort.

The attachments for the November 23rd briefing are listed below. On Tuesday, we will post copies of all materials on OLO's website for online public access at <http://www.montgomerycountymd.gov/olo>.

| Attachments | Begins at: |
|---|------------|
| Executive Summary of Part I, Revenue and Expenditure Trends | Circle 1 |
| Copy of slides for 11/23 briefing by OLO staff | Circle 4 |
| Addendum to Part I | Circle 27 |

Office of Legislative Oversight

100 Maryland Avenue, Rockville, Maryland 20850, 240/777-7990, FAX 240/777-7879

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Achieving a Structurally Balanced Budget in Montgomery County

Part One: Revenue and Expenditure Trends

*OLO Presentation to Montgomery County Council
November 23, 2010*

1

Overview of Presentation

- Demographic and Economic Indicators
- Four-Agency Overview
- Agency Personnel Costs
- Debt Service
- Revenue
- Looking Forward
- Preview of December OLO Report

2

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3

County Demographic Indicators

| Indicator | 2001 | 2010 | % Change |
|-----------------|---------|---------|----------|
| Population | 866,000 | 966,000 | +12% |
| Households | 331,000 | 362,000 | +9% |
| MCPS Enrollment | 134,000 | 142,000 | +7%* |

*Includes the conversion of 4,501 half-time K students into full time students by FY10 or equivalent of 9,800 additional full-time students in FY10 compared to FY01.

4

County Economic Indicators

| Indicator | 2001 | 2009 | % Change |
|---------------------------------|--------------|---------------|----------|
| Median Household Income | \$78,000 | \$94,000 | +21% |
| % Residents Below Poverty Level | 4.4% | 6.8% | +55% |
| Number of Jobs | 487,600 | 510,000 | +5% |
| Assessable Tax Base | \$76 billion | \$162 billion | +114% |

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Data Sources: Agency Budget Documents

Expenditure, Revenue, Workyear Data:

- FY02-FY09, End of Year Actuals
- FY10, Latest Agency Estimates
- FY11, Approved

7

Tax Supported Expenditures

Increased 59% between FY02-FY11



8

Examples of New/Expanded Agency Programs and Services

MCPS:

- Expansion of full-day kindergarten
- Reduction in class size
- Expansion of staff development programs

College:

- Increase in enrollment by 32%
- Opening of several new facilities

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Examples of New/Expanded Agency Programs and Services

MCG:

- Addition of 80 police officers and 238 firefighters
- More resources for health and housing programs
- Expansion of Ride-On services by 14%

MNCPPC:

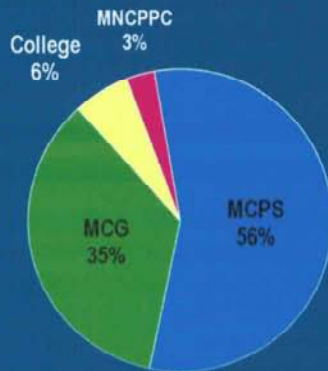
- Increase in park land by 12%
- Creation of Legacy Open Space Program

10

Operating Budgets - All Tax Supported

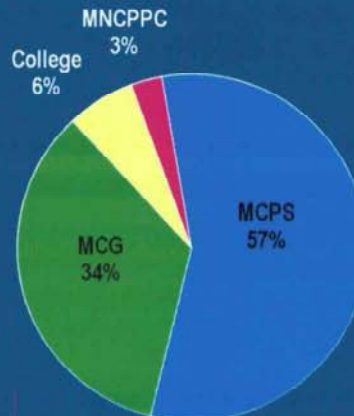
MCPS and MCG account for 91% of all spending

FY02



Total = \$2.3 billion

FY11



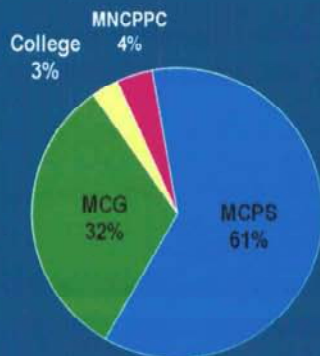
Total = \$3.4 billion

11

Operating Budgets – County Tax Revenue

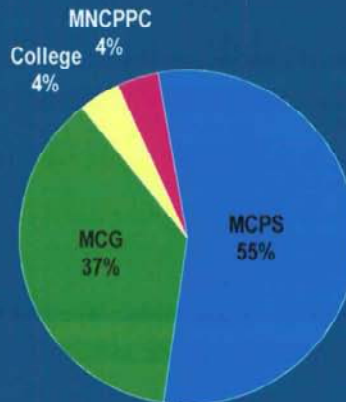
MCPS and MCG account for 92% of all spending

FY02



Total = \$1.7 billion

FY11

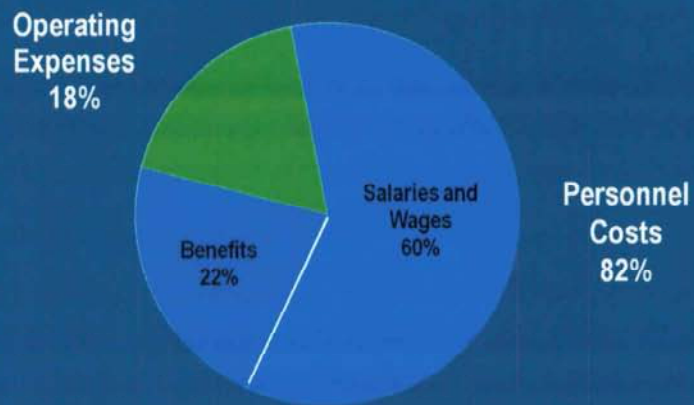


Total = \$2.6 billion

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FY11 Approved Tax Supported Operating Budgets

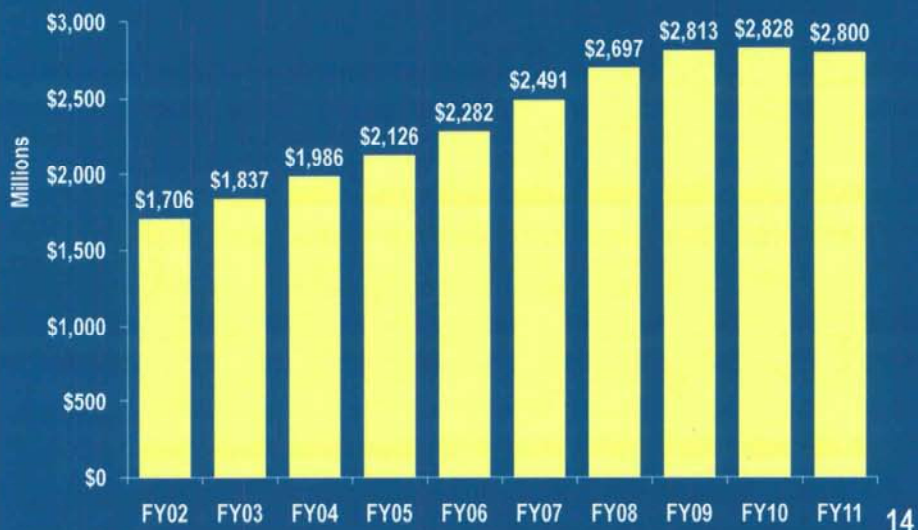
Personnel costs account for 82% of spending



Total = \$3.4 billion 13

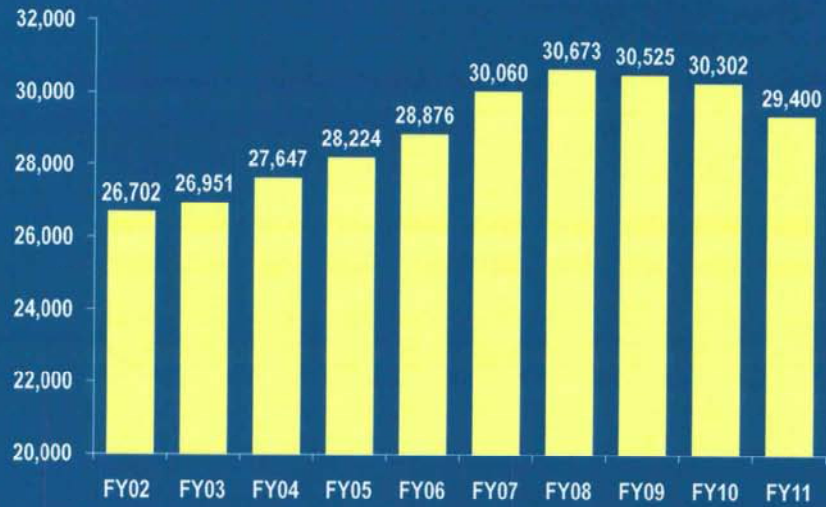
Personnel Costs

Increased 64% from FY02-FY11



Total Workyears

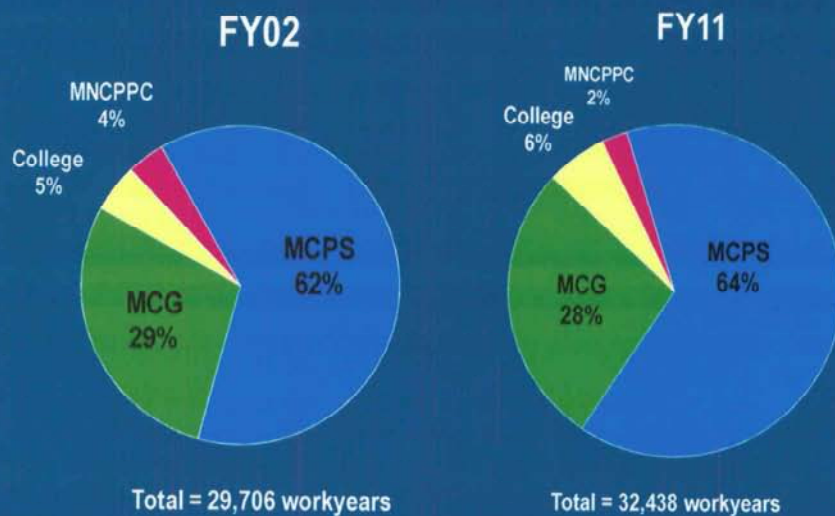
Rapid growth in mid-decade; decline in last two years



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Approved Workyears By Agency

MCPS accounts for almost two-thirds of all workyears



16

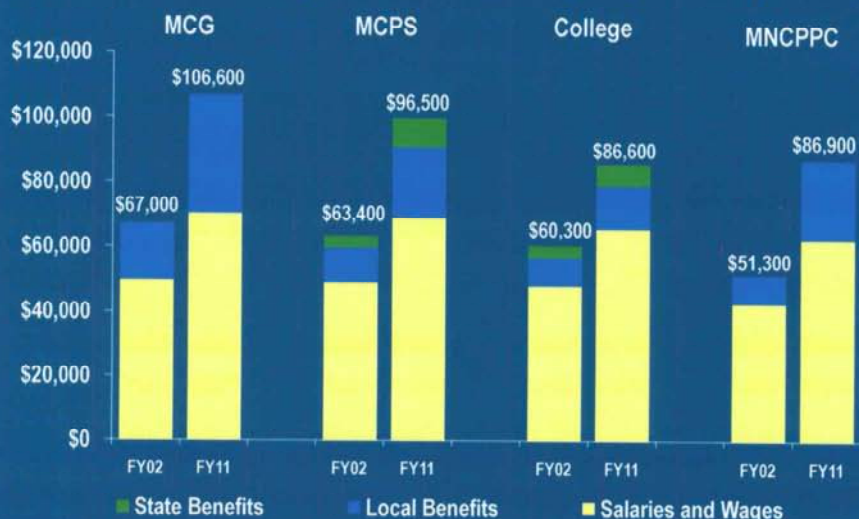
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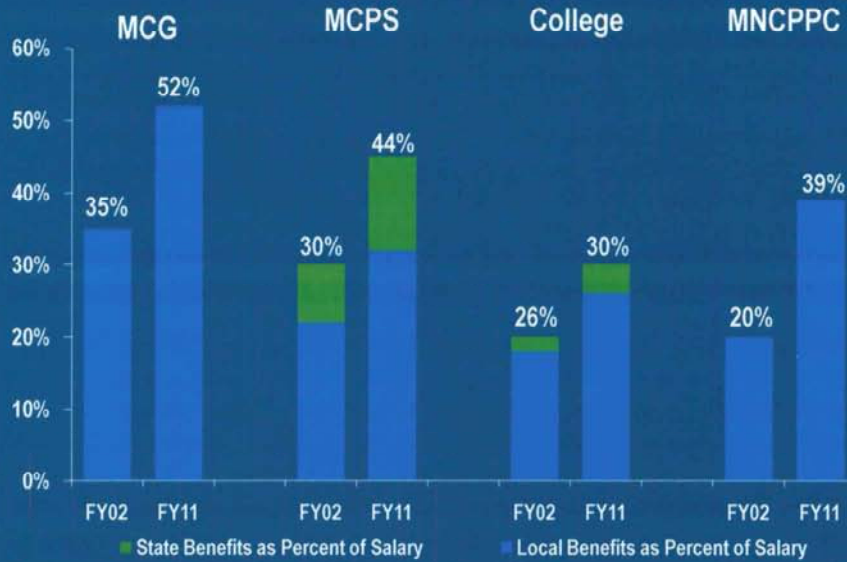
Average Cost Per Employee

Increased by 44% (College), 52% (MCPS), 59% (MCG) and 69% (MNCPPC)



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Benefits as Percent of Salary by Agency



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MCG Tax Supported Personnel Costs

| | FY02 | FY11 | % Change |
|---------------------------|---------------|---------------|-------------|
| Workyears | 7,347 | 7,374 | +0.4% |
| Retiree Enrollees | 3,206 | 4,422 | +38% |
| Salary Cost | \$364m | \$518m | +42% |
| Total Benefit Cost* | \$119m | \$268m | +125% |
| Total Compensation | \$483m | \$786m | +63% |

* No retiree group insurance trust fund (OPEB) contribution made in FY11.

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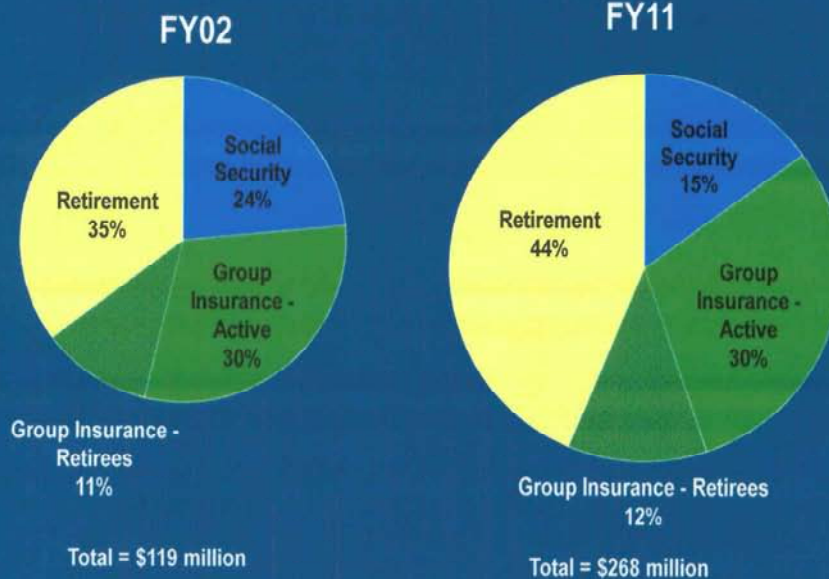
MCG Tax Supported Benefit Costs

| | FY02 | FY11 | % Change |
|--------------------------|---------------|---------------|-------------|
| Active Employee | | | |
| Social Security | \$28m | \$40m | +43% |
| Group Insurance | \$36m | \$80m | +120% |
| Retirement | \$42m | \$117m | +181% |
| Retiree Group Insurance* | \$13m | \$31m | +131% |
| Total Benefits | \$119m | \$268m | 125% |

* Annual pay-as-you-go contribution only; no retiree group insurance trust fund (OPEB) contribution made in FY11.

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Distribution of MCG Benefit Costs



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MCG Benefits: Cost Drivers

Group Insurance

- National trends in health care costs
- Eligibility, cost share, and plan design

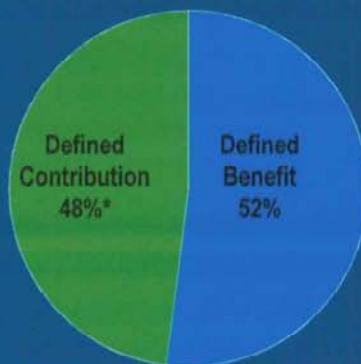
Retirement

- Salary increases
- Plan enhancements
- Distribution of workforce in defined benefit vs. defined contribution plans
- Investment declines (market losses)

23

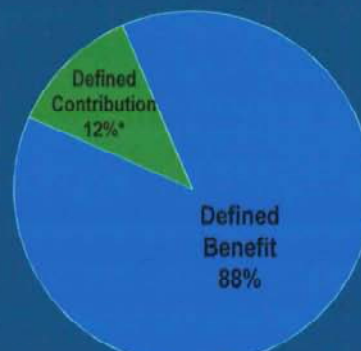
MCG Retirement Plans – FY11

Employees by Retirement Plan



Total = 8,849 Employees

County Costs by Retirement Plan



Total = \$117 million

*Includes GRIP Participants

Note: Defined contribution refers to 401-k type plans and defined benefit refers to traditional pension plans

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FY02 - FY11 Personnel Costs Increases by Retirement Plan

| Compensation | Defined Contribution Plan Participant (Social Worker I) | | | Defined Benefit Plan Participant (Firefighter III) | | |
|-------------------------|---|----------|------------|--|----------|------------|
| | FY02 | FY11 | % Increase | FY02 | FY11 | % Increase |
| Salary | \$36,960 | \$61,900 | 68% | \$35,360 | \$62,450 | 77% |
| Social Security | \$2,830 | \$4,740 | 68% | \$2,710 | \$4,780 | 77% |
| Group Insurance | \$4,650 | \$10,040 | 116% | \$4,650 | \$10,040 | 116% |
| Retirement | \$2,220 | \$4,950 | 123% | \$6,010 | \$22,410 | 273% |
| Total | \$46,660 | \$81,630 | 75% | \$48,730 | \$99,680 | 105% |
| Benefits as % of Salary | 26% | 32% | | 38% | 60% | |

25

MCPS Tax Supported Personnel Costs

| | FY02 | FY11 | % Change |
|---------------------------|-----------------|-----------------|-------------|
| Workyears | 17,064 | 19,439 | +14% |
| Retiree Enrollees | 5,310 | 7,488 | +41% |
| Salary Cost | \$878m | \$1,341m | +53% |
| Total Benefit Cost* | \$183m | \$420m | +130% |
| Total Compensation | \$1,061m | \$1,762m | +66% |

* No retiree group insurance trust fund (OPEB) contributions made in FY11.

26

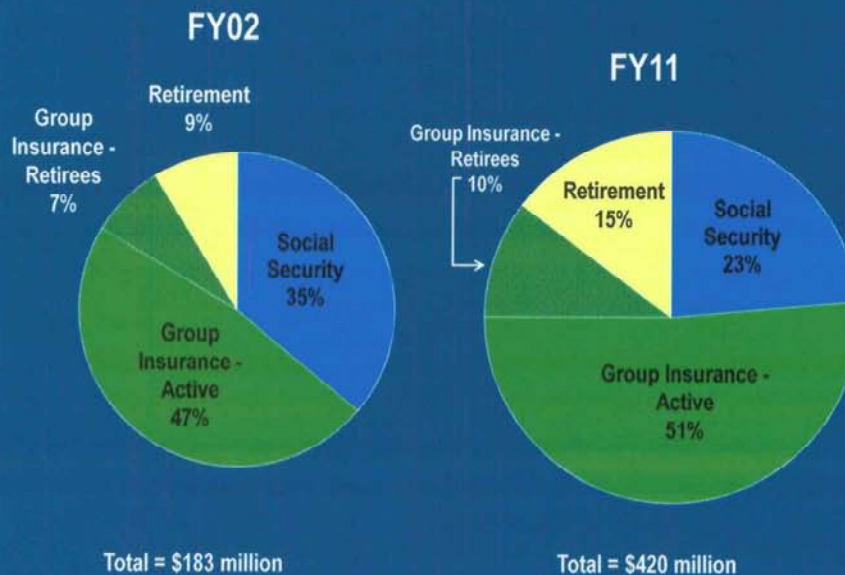
MCPS Tax Supported Benefit Costs

| | FY02 | FY11 | % Change |
|-------------------------------|---------------|---------------|--------------|
| Active Employee | | | |
| Social Security | \$66m | \$99m | +51% |
| Group Insurance | \$87m | \$216m | +147% |
| Local Retirement Contribution | \$16m | \$62m | +287% |
| Retiree Group Insurance* | \$14m | \$43m | +198% |
| Total Local Benefits | \$183m | \$420m | +130% |
| State Pension Contribution | \$63m | \$170m | +168% |

* Annual pay-as-you-go contribution only; no retiree group insurance trust fund (OPEB) contribution made in FY11.

27

Distribution of MCPS Benefit Costs



28

FY11 Local Benefit Costs

Benefits equal 22% of agency spending

| | MCG & MCPS | All Agencies |
|-------------------------------|----------------------|----------------------|
| Active Employee | | |
| Social Security | \$139,400,000 | \$153,700,000 |
| Group Insurance | \$295,700,000 | \$314,600,000 |
| Local Retirement Contribution | \$179,500,000 | \$193,400,000 |
| Retiree Group Insurance* | \$73,800,000 | \$77,000,000 |
| TOTAL | \$688,400,000 | \$738,700,000 |

* Annual pay-as-you-go contribution only

29

Overview of Presentation

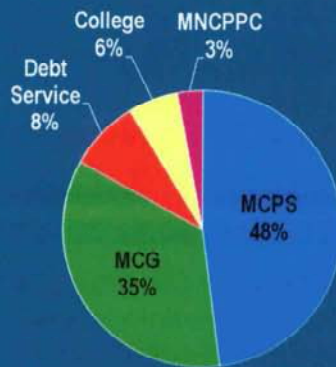
- Demographic and Economic Indicators
- Four-Agency Overview
- Agency Personnel Costs
- Debt Service
- Revenue
- Looking Forward
- Preview of December OLO Report

30

Operating Budgets – All Tax Supported

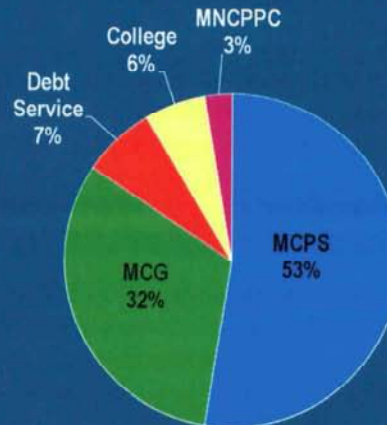
Debt service is larger than either College or MNCPPC

FY02



Total = \$2.3 billion

FY11

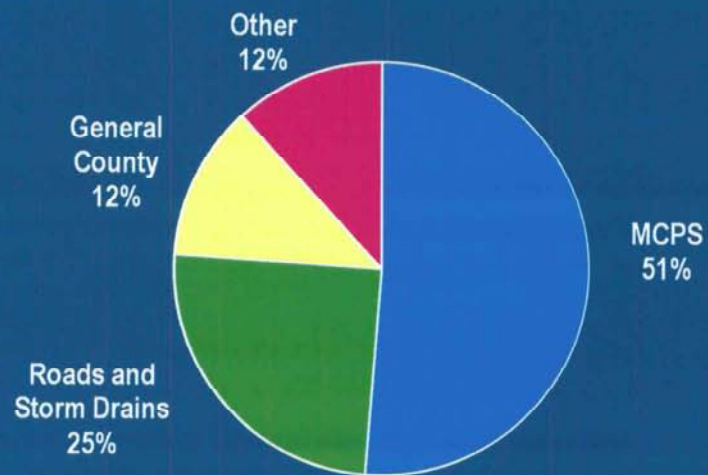


Total = \$3.7 billion

31

FY11 GO Bond Debt Service

Schools and roads/storm drains account for 76% of debt service



Total = \$221 million

32

Annual Debt Service, FY02-FY16

Projected to increase by 121% from FY02-FY16



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Overview of Presentation

- Demographic and Economic Indicators
- Four-Agency Overview
- Agency Personnel Costs
- Debt Service
- Revenue
- Looking Forward
- Preview of December OLO Report

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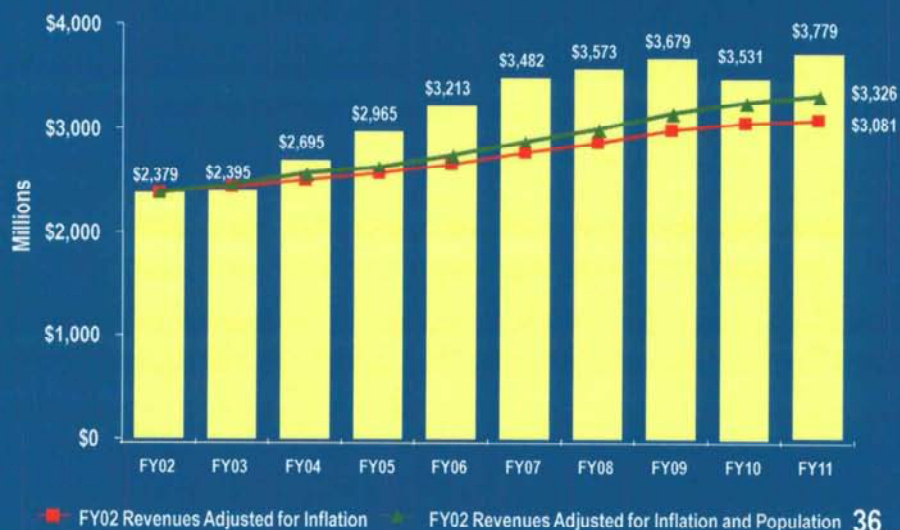
Revenue

- Tax supported revenue grew 59% between FY02 and FY11.
- Local taxes comprise about 80% of tax supported revenue.
- Growth in revenue between FY02 and FY11:
 - Property tax revenue - 66%
 - Income tax revenue - 22%
 - Other taxes - 157%
 - Intergovernmental aid - 76%

35

Tax Supported Revenue – All Agencies

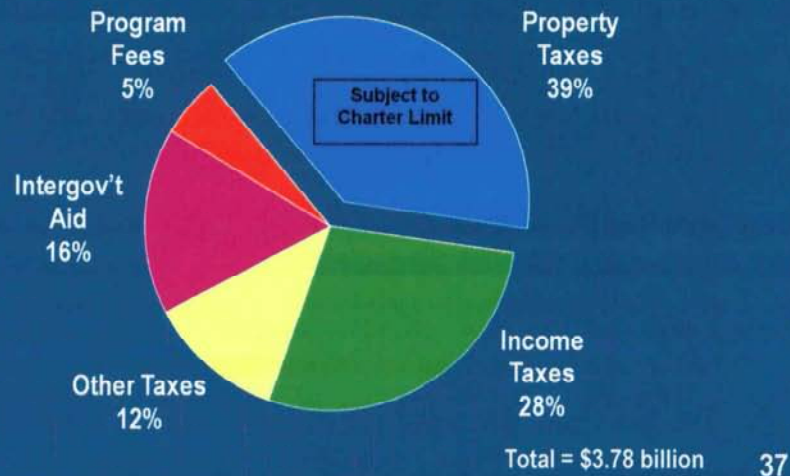
Increased 59% between FY02-FY11



36

FY11 Tax Supported Revenue

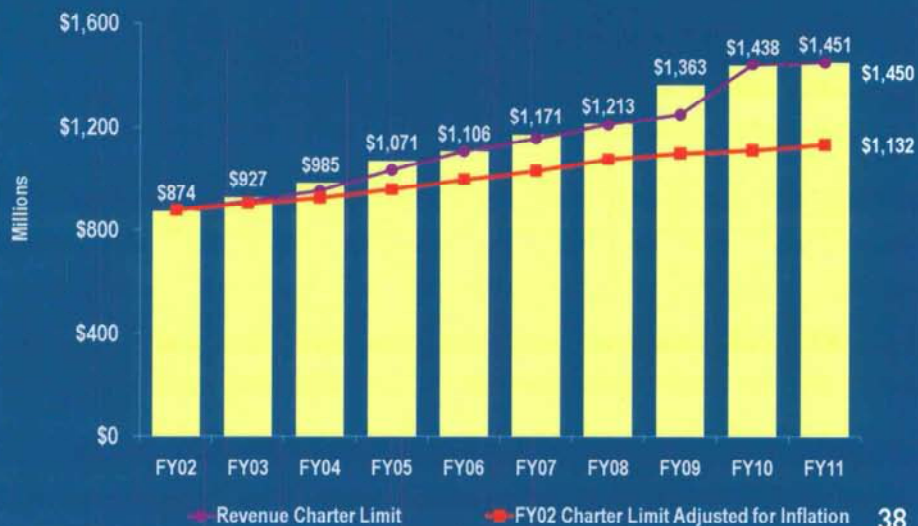
Property and income taxes account for 67% of tax supported revenue



37

Property Tax Revenue

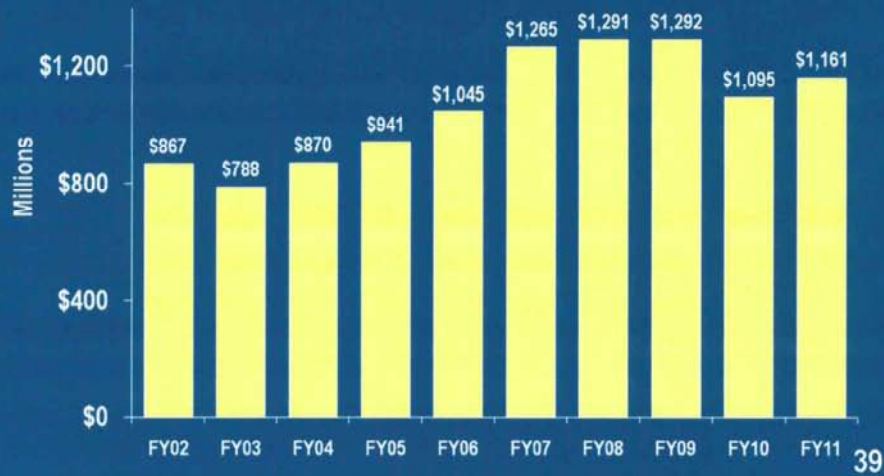
County's largest and most stable revenue source



38

Income Tax Revenue

Volatile revenue source subject to the economy



39

Energy/Other Tax Revenue

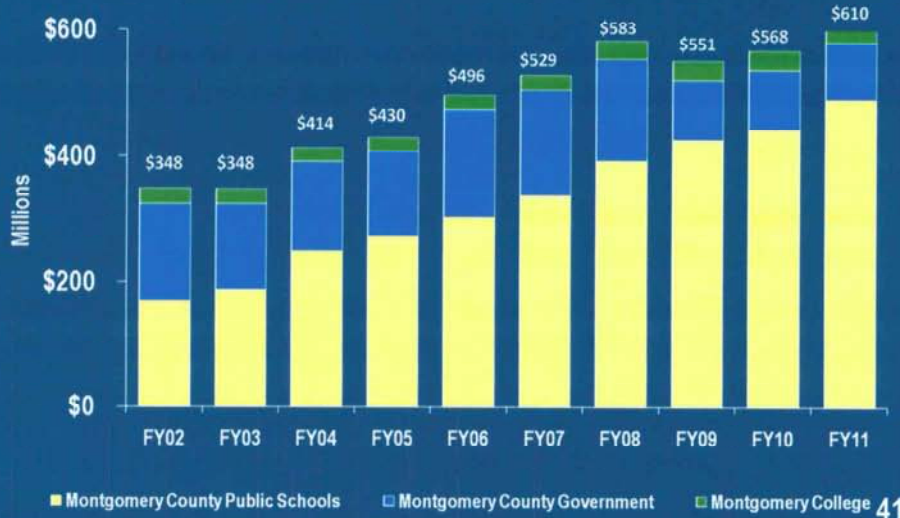
Energy tax revenue increased tenfold between FY02-FY11



40

Intergovernmental Aid Tax Supported Revenue

Revenue increased by 76%; MCPS aid tripled



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Overview of Presentation

- Demographic and Economic Indicators
- Four-Agency Overview
- Agency Personnel Costs
- Debt Service
- Revenue
- Looking Forward
- Preview of December OLO Report

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Overview of Presentation

- Demographic and Economic Indicators
- Four-Agency Overview
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- Agency Personnel Costs
- Revenue
- Looking Forward
- Preview of December OLO Report

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Areas of OLO Review

| | |
|---|--------------------------------------|
| A | Salaries and Wages |
| B | Pension/Retirement Benefits |
| C | Health Benefits for Active Employees |
| D | Health Benefits for Retirees |
| E | Workforce Size |
| F | Operating Expenses |
| G | Debt |
| H | Revenue |
| I | Other |

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Achieving a Structurally Balanced Budget in Montgomery County

Part One: Revenue and Expenditure Trends

*OLO Presentation to Montgomery County Council
November 23, 2010*

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Montgomery County Council Office of Legislative Oversight

Karen Orlansky

**Elaine Bonner-Tompkins
Teri Busch
Sarah Downie
Craig Howard
Kristen Latham**

**Jennifer Renkema
Sue Richards
Leslie Rubin
Aron Trombka
Amanda Albert, Intern**

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Addendum List

**Office of Legislative Oversight Report 2011-2:
Achieving a Structurally Balanced Budget in Montgomery County,
Part I: Revenue and Expenditure Trends**

| Addendum | Title | Begins at |
|-----------------|---|------------------|
| A | Glossary of Terms | Circle 28 |
| B | Supplemental Demographic and Economic Indicators | Circle 31 |
| C | Supplemental Agency Budget Data | Circle 32 |
| D | Comparative Data | Circle 45 |

Glossary of Terms

Actuary: A person qualified to calculate pension and insurance premiums, reserves, and dividends using probabilities based on statistical records.

Assessable base: The value of all real and personal property in the County, excluding tax-exempt property.

Core benefit: For MCPS employees who participate in the Maryland State Teachers' Pension System, the pension benefit provided by the State. For MCPS employees who do not participate in the Maryland State Teachers' Pension System, the pension benefit provided by MCPS (excluding the *supplemental benefit*).

Cost of living adjustment (COLA): See "*general wage adjustment*."

Cost share: The allocation of benefit costs (such as annual health insurance premiums) between the employer and the employee.

Debt service: The annual payment of principal, interest, and issuance costs for bonded debt.

Defined benefit retirement plan: A type of retirement plan in which an employer pays employees a specific benefit for life beginning at retirement. The amount of the benefit is known in advance and is usually based on factors such as age, earnings, and years of service. A defined benefit retirement plan is commonly referred to as a "pension."

Defined contribution retirement plan: A retirement plan in which an employer annually contributes a specified percent of an employee's salary or a certain amount of money into a retirement account. A 401(K) plan is a type of defined contribution plan

Employee benefit: Employee compensation (other than salary and wages) paid by an employer. Employee benefits include employer contributions for Social Security, retirement, and group insurance.

Employee Retirement System (ERS): Montgomery County Government's *defined benefit retirement plan*. Most public safety employees and general government employees hired before 1994 participate in the ERS.

Fiscal Plan: A six year summary of projected tax supported revenue and agency expenditures. On June 29, 2010, the Council approved the Tax Supported Fiscal Plan Summary for FY11-16.

General obligation (GO) debt: Bonded debt backed by the full faith and credit of the County to pay the scheduled retirement of principal and interest.

General wage adjustment: An increase to base salary granted to all employees on a specific date, usually the beginning of a new fiscal year. All eligible employees receive the general wage adjustment regardless of job performance. A general wage adjustment is also known as a "cost of living adjustment (COLA)."

Group insurance: Insurance that is purchased for a group (such as the employees of a government or private company) usually at a reduced rate for the benefit of individual members of the group. County agency group insurance offerings include health, prescription drug, dental, vision, life, and long-term disability plans. County agencies offer group insurance benefits to active and retired personnel.

Guaranteed Retirement Income Plan (GRIP): The retirement plan for which the County Government guarantees a specific rate of return on contributions into employee retirement accounts. Under this GRIP, the County Government currently guarantees an annualized return of 7.25%.

Health maintenance organization (HMO): A health benefit plan that covers only services provided by in-network physicians or specialists.

Hybrid retirement plan: A retirement plan that offers a combination of *defined benefit* and *defined contribution retirement plan* features.

Increment: See “*step increase*.”

Non-tax supported resources: Agency resources generated from non-tax sources that are earmarked for a specific purpose or use. Examples of non-tax supported resources include grant funding and fees for service that must be used for a specific purpose (such as Permitting Services and solid waste disposal fees). The *Fiscal Plan* excludes non tax supported revenue and expenditures.

Operating expenses: Annual operating budget expenditures other than personnel costs. Examples of operating expenses include expenditures for contractual support, utility payments, facility and vehicle maintenance, office and program supplies, and technology. Operating expenses exclude all expenditures funded through the capital budget.

Other post-employment benefits (OPEB): Benefits – other than pension benefits – that an employer provides to its retired employees, including healthcare coverage, life insurance, and deferred compensation. The Government Accountability Standards Board requires that public sector employers report future OPEB liabilities during the period of active service for employees and recognize unfunded OPEB costs as a liability.

Out-of-pocket costs: Health care charges that are not covered by an insurance plan.

PAYGO: “Pay As You Go” funding; capital project funding using current revenue rather than debt.

Personnel costs: Expenditures for employee salaries, wages, and benefits.

Point of service (POS) plan: A health plan in which beneficiaries receive services from a network of authorized providers. Beneficiaries have the option of accessing out-of-network providers by paying additional *out-of-pocket costs*.

Reserves: Accounts for funds that are not budgeted for expenditure in the current fiscal year.

Retirement Savings Plan (RSP): Montgomery County Government's *defined contribution retirement plan*. Most non-public safety employees hired after 1994 participate in the RSP.

Revenue: All funds that the County receives, including tax payments, fees for specific services, receipts from other governments, fines, forfeitures, shared revenues and interest income.

Step increase: An increase to base salary granted on a recurring basis. In general, to be eligible for a step increase, an employee must have a salary below the maximum for their pay grade and must meet minimum job performance requirements. Employees usually receive steps on the anniversary of their original hire date. A step increase is also known as an "increment."

Supplemental benefit: For MCPS employees, a pension benefit provided by MCPS in addition to the *core benefit*.

Tax supported resources: Agency resources generated from taxes and other sources of revenue that are not earmarked for a specific purpose or use. Examples of tax supported resources include tax revenues, State K-12 aid, and parking and library fines. The Fiscal Plan includes tax supported revenue and expenditures but excludes *non-tax supported* revenue and expenditures.

Workyear: A standardized unit of measurement of personnel effort, similar to the term "full-time equivalents." For non-public safety employees of the County Government, a workyear equals 2,080 hours of service. For most MCPS employees (e.g., teachers), a workyear refers to a ten-month position.

Montgomery County Demographic Data

This Addendum provides selected demographic, social, and economic data for Montgomery County for 2001 and 2009. A summary of the content and source information is listed below.

| Indicator | 2001 | 2009 | % Change | Source |
|---|-----------|-----------|----------|---------------------------------------|
| Demographic | | | | |
| Population | 866,000 | 957,760 | 11% | Montgomery County Operating Budget |
| % Under 18 Years Old | 26.1% | 24.5% | -6% | American Communities Survey, Census |
| % Over 65 Years of Age | 11.0% | 12.3% | 12% | American Communities Survey, Census |
| Schools | | | | |
| MCPS Enrollment | 134,180 | 139,282 | 4% | MCPS |
| % Students ESOL | 7.1% | 12.6% | 78% | MCPS |
| % Students FARMS | 21.8% | 29.5% | 36% | MCPS |
| % Students Special Education | 12.2% | 12.3% | 1% | MCPS |
| % Households with Students in MCPS | 23.8% | 22.2% * | -7% | MCPS |
| Economic | | | | |
| CPI | 100 | 124.9 | 25% | Montgomery County Operating Budget |
| Median Household Income | \$75,871 | \$93,895 | 24% | American Communities Survey, Census |
| Number Jobs | 487,600 | 510,000 | 5% | M-NCPPC |
| Unemployment Rate | 3.1% | 5.2% | 68% | U.S. State Bureau of Labor Statistics |
| % People with Income Below Poverty Rate | 4.4% | 6.8% | 55% | American Communities Survey, Census |
| Assessable Tax Base (\$ Billions) | \$76 | \$162 | 113% | Montgomery County Operating Budget |
| Gross County Product (\$ Billions) | \$35.7 | \$43.0 | 20% | M-NCPPC |
| Housing | | | | |
| Total Households | 327,600 | 358,605 | 9% | M-NCPPC |
| Median Value Owner Occupied Home | \$244,781 | \$459,900 | 88% | American Communities Survey, Census |
| Median Rent | \$969 | \$1,429 | 47% | American Communities Survey, Census |

*2008

Achieving a Structurally Balanced Budget in Montgomery County

Part One: Revenue and Expenditure Trends

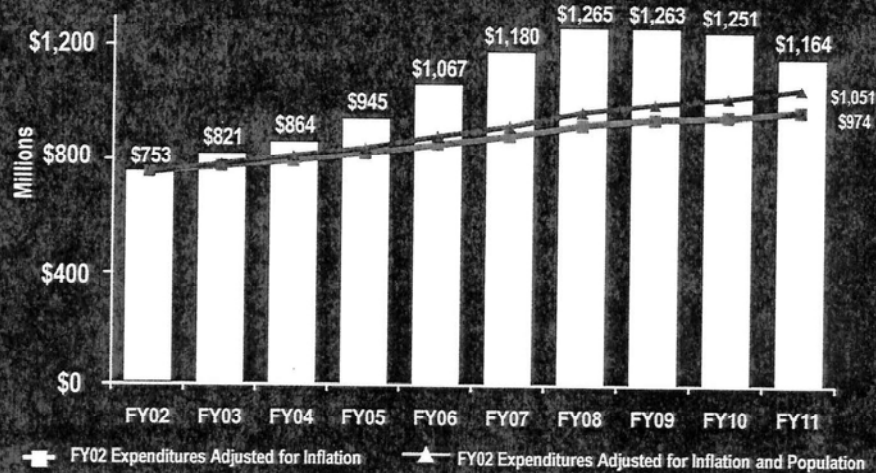
Report Addendum – Detailed Agency Slides

Montgomery County Government



MCG Tax Supported Expenditures

Despite FY09-FY11 decline, increased 54% since FY02



MCG Tax Supported Expenditures

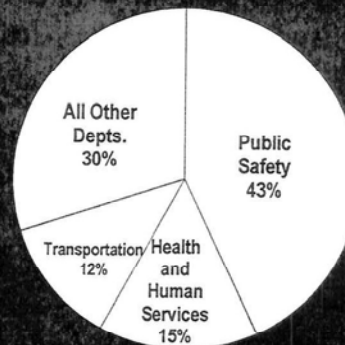
Public safety accounted for 37% of spending in FY02 and 43% in FY11

FY02



Total = \$753 million

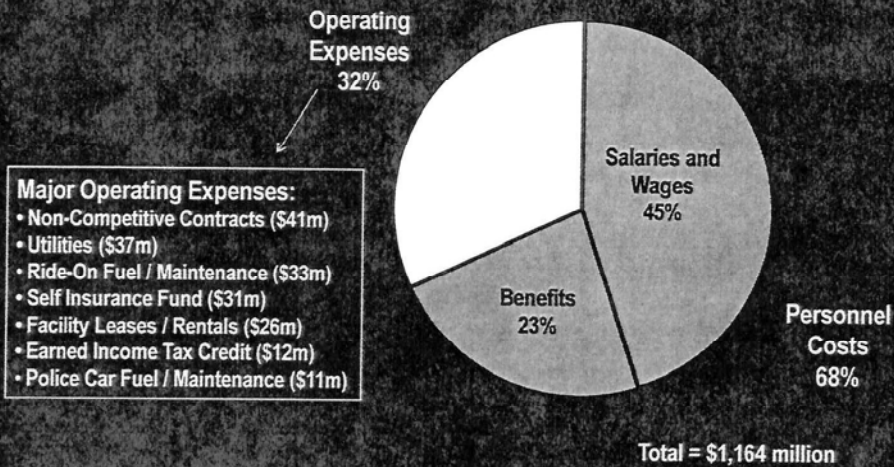
FY11



Total = \$1,175 million

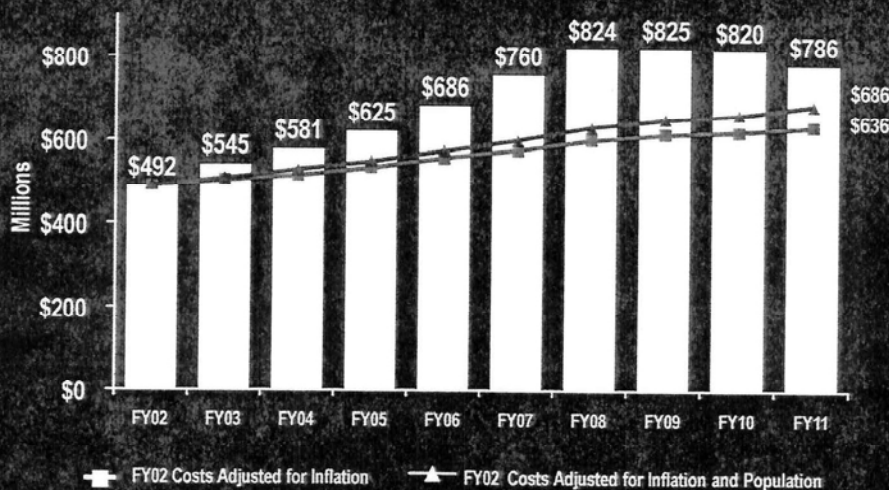
FY11 MCG Tax Supported Expenditures

Personnel costs account for 68% of expenditures



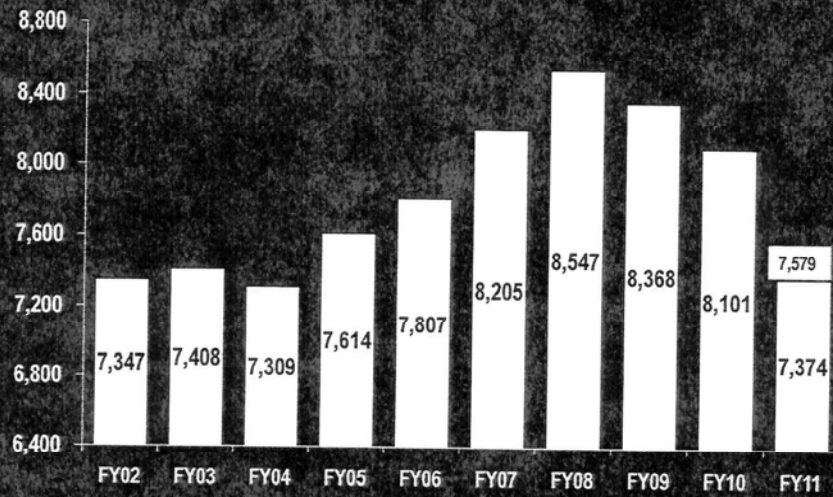
MCG Tax Supported Personnel Costs

Despite recent declines, increased 60% since FY02



MCG Tax Supported Workyears

Peaked in FY08; declined each of last three years

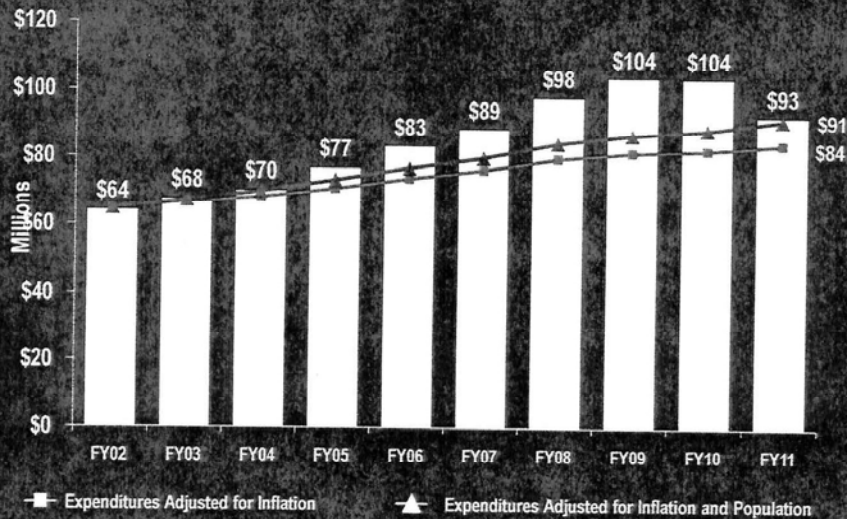


Maryland-National Capital Park and Planning Commission



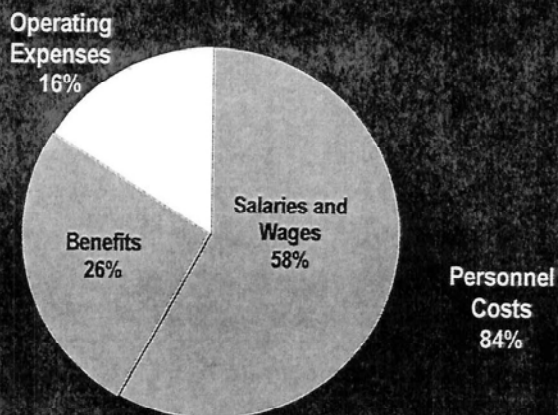
MNCPPC Tax Supported Expenditures

Increased 45% from FY02-FY11



FY11 MNCPPC Tax Supported Expenditures

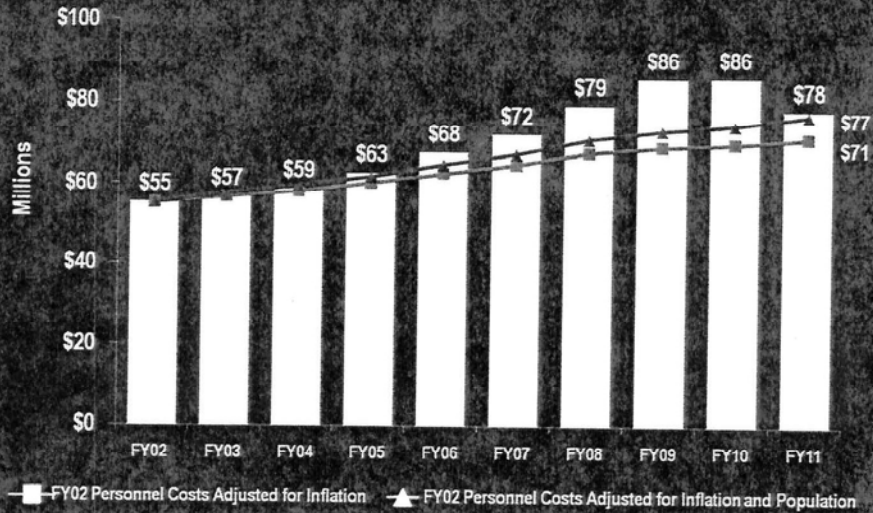
Personnel costs account for 84% of expenditures



Total = \$92.7 million

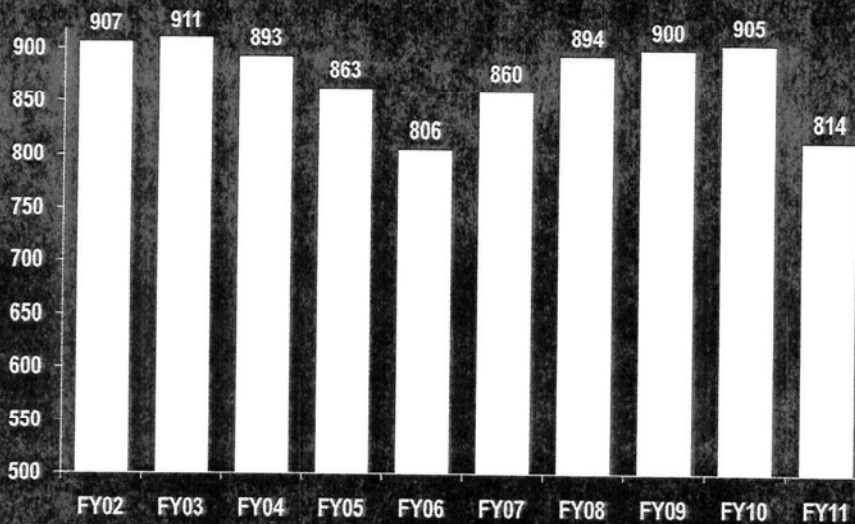
MNCPPC Tax Supported Personnel Costs

Increased 42% between FY02-FY11



MNCPPC Tax Supported Workyears

Less workyears in FY11 compared with FY02

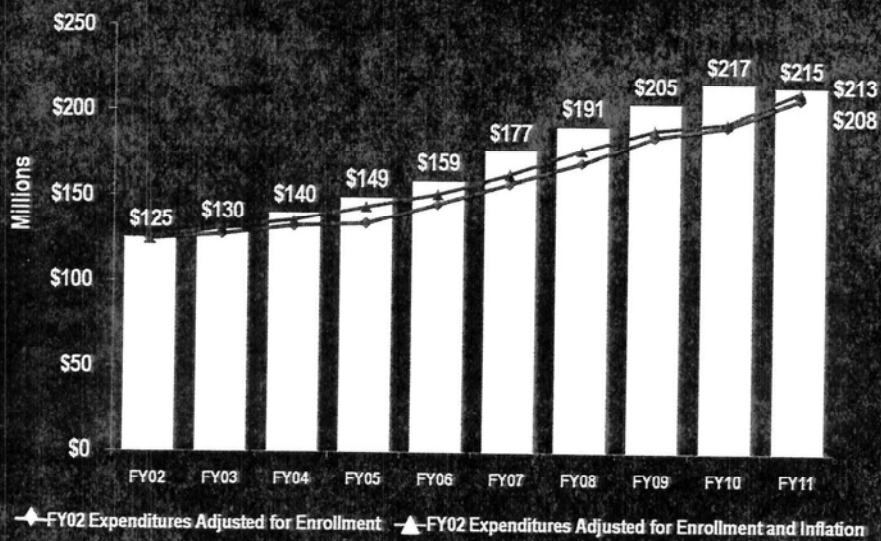


Montgomery College



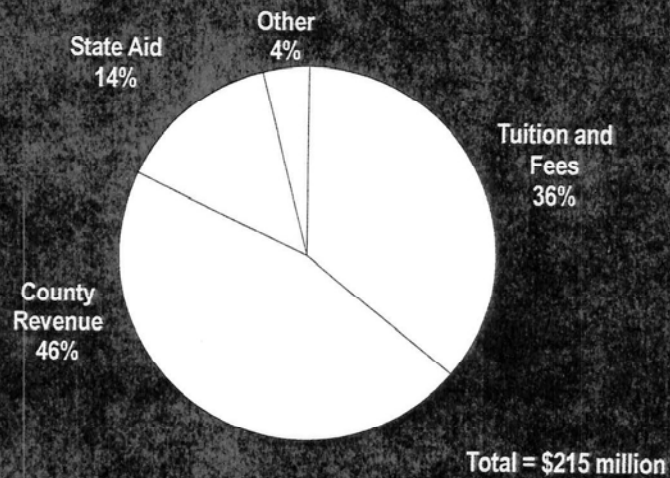
College Tax Supported Expenditures

Increased by 73% between FY02-FY11



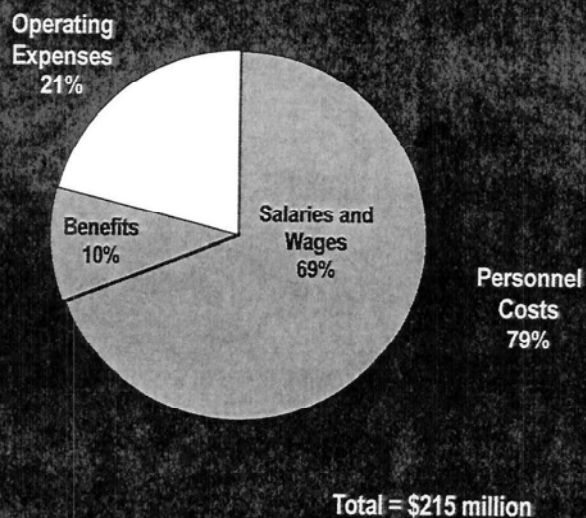
FY11 College Tax Supported Revenue

County revenue accounts for nearly half of the College's revenue



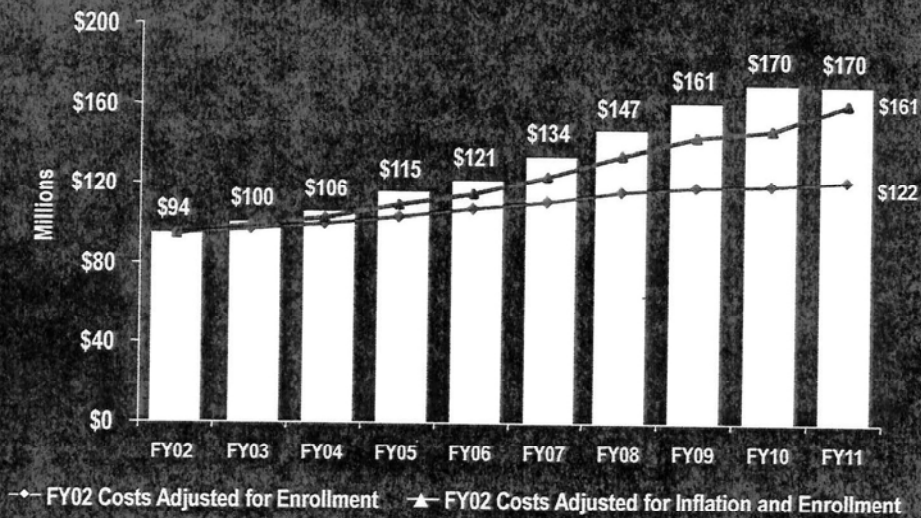
College Tax Supported Expenditures

Personnel costs account for 79% of expenditures



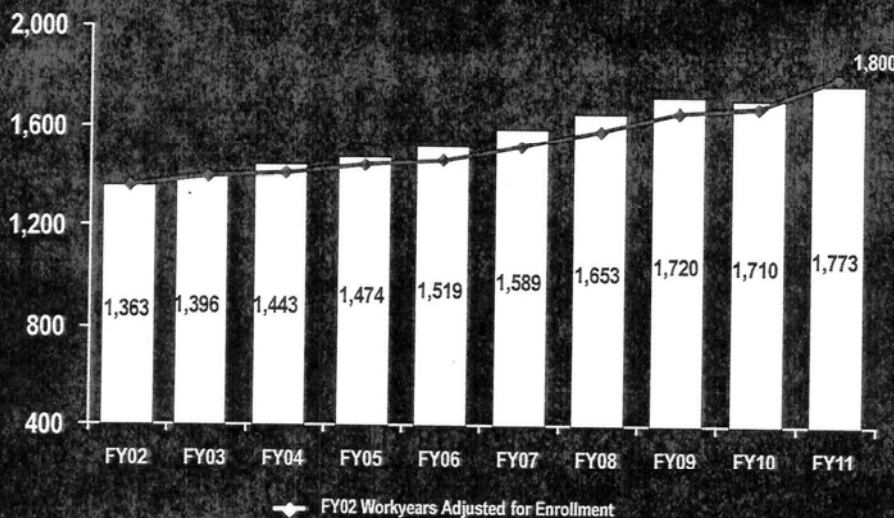
College Tax Supported Personnel Costs

Increased 80% from FY02-FY11

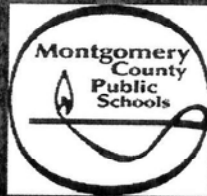


College Tax Supported Workyears

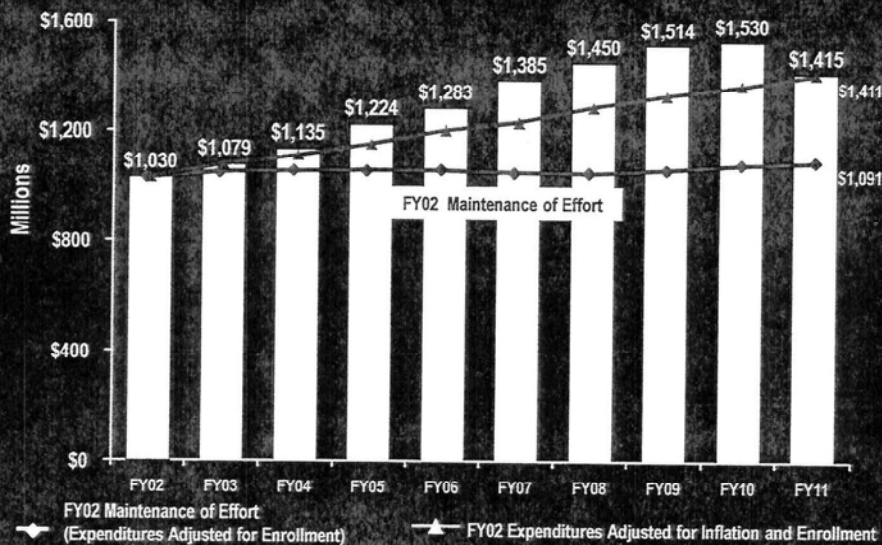
Increased 30% from FY02-FY11

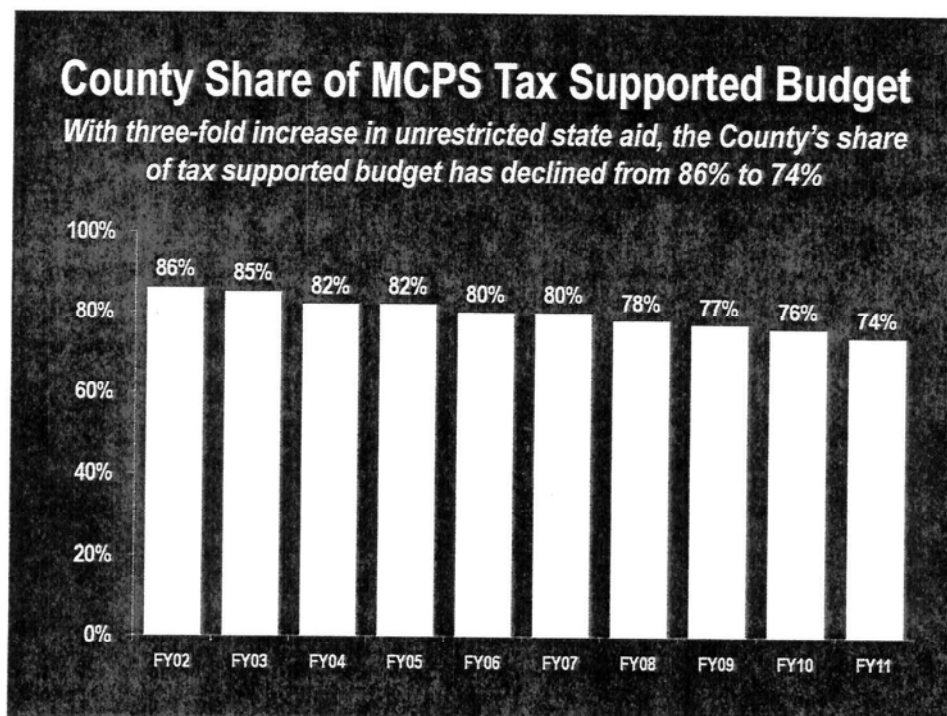
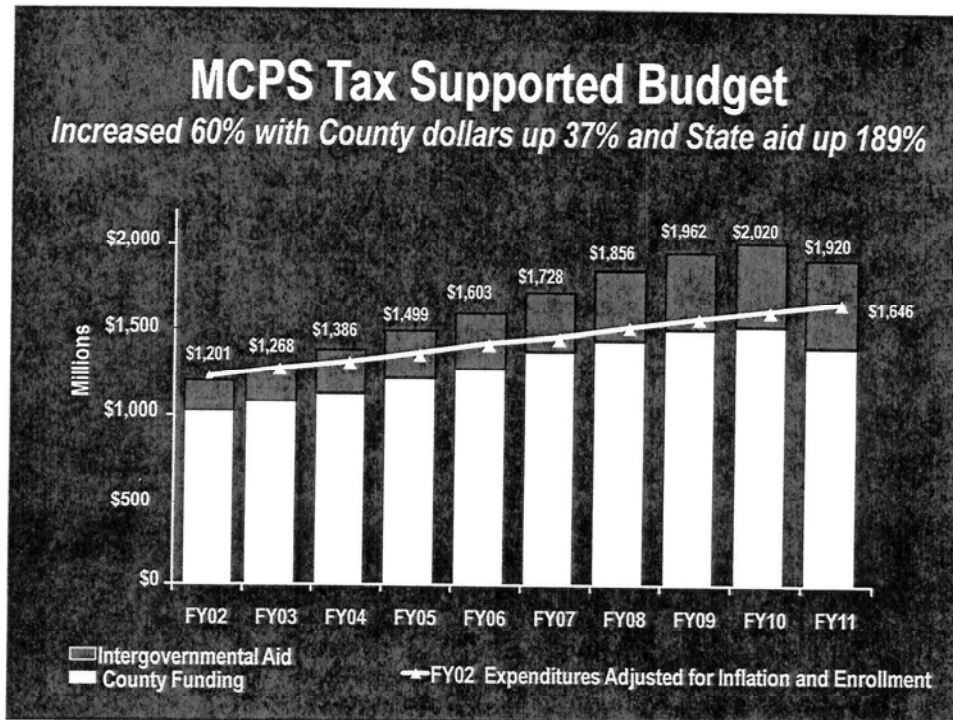


Montgomery County Public Schools



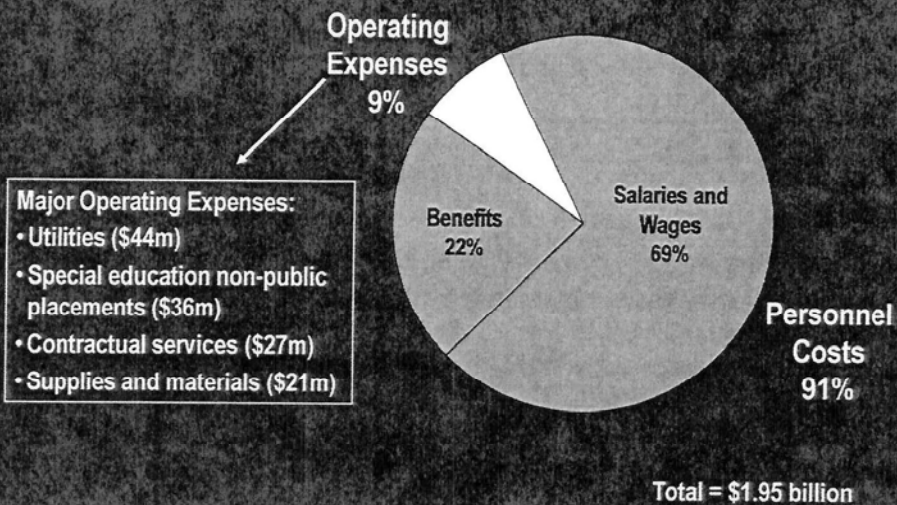
County Funding for MCPS Tax Supported Budget *Increased 37% from FY02-FY11*





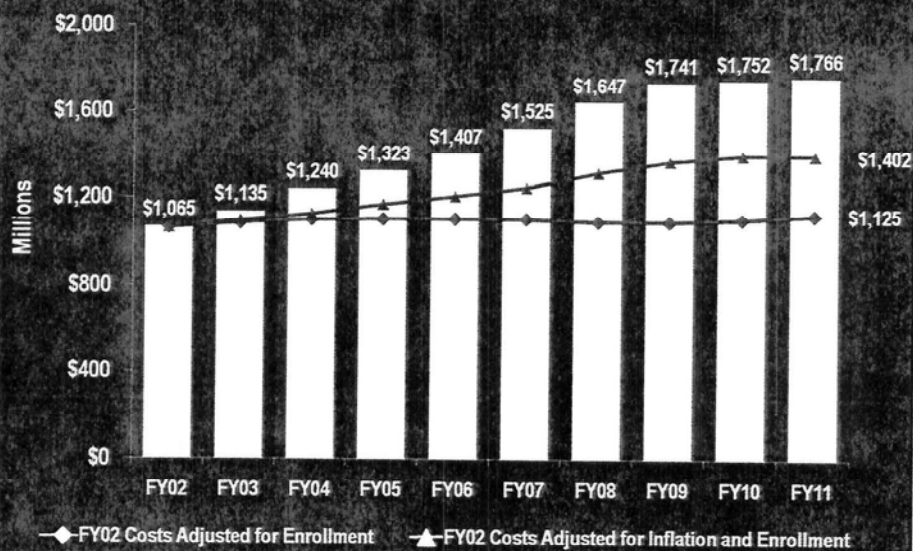
FY11 MCPS Tax Supported Budget

Personnel costs account for 91% of expenditures



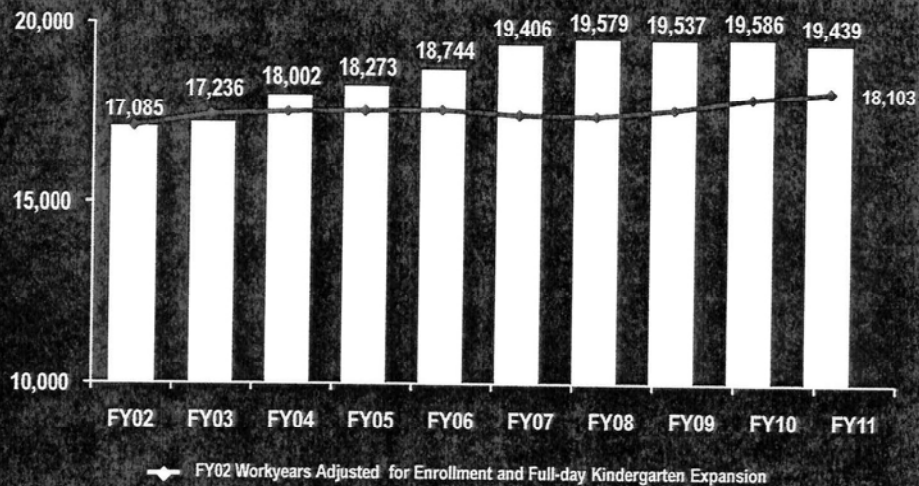
MCPS Tax Supported Personnel Costs

Increased by 66% from FY02-FY11



MCPs Tax Supported Workyears

Increased 14% from FY02-FY11



Comparative Data

Selected Revenue, Expenditure, and Personnel Cost Trends

Compiling and analyzing data across jurisdictions can be a valuable exercise that informs discussions about how practices in different places compare to one another. As a tool, benchmarking can be used effectively as part of the evaluation and decision-making process.

However, the limits to compiling and using comparative data also deserve recognition. For starters, there is no national clearinghouse that compiles comprehensive, reliable, and consistent local government budget data from jurisdictions across the country. Further, jurisdictions tend to adopt different working definitions for similar terms, and the numerous caveats and footnotes that accompany comparisons can themselves create confusion. As a result, even the most conscientious comparative local government fiscal analysis is often ripe for criticism that it does not present an “apples-to-apples” comparison.

Recognizing the legitimate interest in comparative budget information (while also acknowledging it may raise as many questions as it answers), this Addendum provides selected comparative data on revenue, expenditure, and personnel cost trends. A summary of the content and source information is listed below.

Note: In addition to the material contained in this Addendum, OLO’s Part II report (scheduled for release on 12/7/10) will provide examples of changes being considered by state and local governments across the country with respect to selected components of employee pay and benefits.

- A. Average Salary and Benefit Cost Data (2001 and 2009)**, summarizes data compiled by the federal Bureau of Economic Analysis on average salary, benefit costs, and benefits as a percent of salary for three industry sectors: private sector; federal government (civilian), and state and local government.
- B. Expenditure and Revenue Data from Five Maryland Counties (FY01 and FY09)**, provides an excerpt of the expenditure and revenue data compiled by the State of Maryland’s Department of Legislative Services for Montgomery County, Anne Arundel County, Baltimore County, Howard County, and Prince George’s County.
- C. Comparative Salary Data**, contains excerpts from two documents that the Council receives annually during operating budget worksessions:
 - Data compiled by the Council Staff Director on annual pay changes since FY01 for County agencies, other regional local governments and school systems, the State, and the Federal Government. (The excerpt provided is from an April 12, 2010 MFP Committee packet.)
 - Selected wage and salary comparability data compiled by the Office of Human Resources as part of the annual Personnel Management Review. (The excerpt provided is from the PMR published in April 2010.)

A. Average Salary and Benefit Cost Data (2001 and 2009)

The two tables below provide data on average salary, average costs of benefit, and benefits as a percent for three industry sectors: private industry, federal government (civilian), and state & local government. The tables are compiled from data collected by the federal government's Bureau of Economic Analysis; 2009 is the most recent year for which data are available.

Average Salary and Cost of Benefits, 2001-2009

| Sector | Average Salary | | | Average Benefits | | |
|-------------------------------|----------------|----------|----------|------------------|----------|----------|
| Year | 2001 | 2009 | % Change | 2001 | 2009 | % Change |
| Private Industry | \$39,647 | \$50,462 | 27% | \$7,379 | \$10,589 | 44% |
| Federal Government (civilian) | \$54,154 | \$81,258 | 50% | \$26,968 | \$41,791 | 55% |
| State and Local Government | \$40,681 | \$53,056 | 30% | \$10,122 | \$16,857 | 67% |

Benefits as Percent of Salary by Industry

| | Benefits as Percent of Salary | |
|-------------------------------|-------------------------------|------|
| Sector | 2001 | 2009 |
| Private Industry | 19% | 21% |
| Federal Government (civilian) | 50% | 51% |
| State and Local Government | 25% | 32% |

Source: Bureau of Economic Analysis, National Income and Product Accounts Table (NIPA). For more information on the NIPA, see <http://www.bea.gov/national/nipaweb/index.asp> and the NIPA Handbook for definitions of compensation included in this comparative data (located at same URL).

B. Expenditure and Revenue Data from Five Maryland Counties (FY01 and FY09)

This section provides an excerpt of expenditure and revenue data from five Maryland counties Anne Arundel, Baltimore, Howard, Montgomery, and Prince George's. Specifically, it provides FY01 and FY09 data on:

- Total Expenditures;
- Per Capita Expenditures;
- Total Revenues; and
- Per Capita Revenues.

All data from FY09 come from the Maryland Department of Legislative Services' "Local Government Finances in Maryland Fiscal Year Ending June 30, 2009: Sixty-First Report to the Governor and the General Assembly of Maryland"(hereafter DLS Report). The full report can be accessed at <http://mlis.state.md.us/2010rs/misc/LocalGovernmentFinancesInMarylandFY2009.pdf>. Data for FY01 come from an earlier version of the same report, "Local Government Finances in Maryland Fiscal Year Ending June 30, 2005."

Note: The budget data compiled by DLS includes ALL expenditure and revenue data for each county, which means both tax supported and non-tax supported revenue are counted.

In order to summarize the data, OLO consolidated some expenditure and revenue categories in the data tables as follows:

| OLO Category | Includes the following Department of Legislative Services Categories |
|---------------------------|--|
| Revenue | |
| Local Taxes | Property, Income, Other Local Taxes |
| Intergovernmental | Federal Grants, State Grants, Other Intergovernmental Sources |
| Other | Licenses and Permits, Service Charges, Fines and Forfeitures, Miscellaneous, Debt Proceeds |
| Expenditures | |
| Public Safety | Police Protection, Fire Protection, Corrections, Other Public Safety |
| Public Works | Transportation, Sewer, Solid Waste, and Water, Other Public Works |
| Health and Human Services | Health, Social Services |
| Other | Community Colleges, Parks, Recreation, and Culture, Libraries, Natural Resources, Community Development and Public Housing, Economic Development and Opportunity, Debt Service, Intergovernmental, Miscellaneous |

1. Total Expenditures: FY01 and FY09

Montgomery County: Total Expenditures (\$ Millions)

| Year | General Government | Public Safety | Public Works | Health & Human Services | Primary/ Secondary Education | Debt & Other | Total |
|------------|--------------------|---------------|--------------|-------------------------|------------------------------|--------------|---------|
| FY01 | \$196 | \$355 | \$381 | \$180 | \$1,434 | \$747 | \$3,295 |
| FY09 | \$349 | \$573 | \$627 | \$269 | \$2,396 | \$1,420 | \$5,634 |
| % Change * | 76% | 61% | 65% | 50% | 67% | 90% | 71% |

Anne Arundel County: Total Expenditures (\$ Millions)

| Year | General Government | Public Safety | Public Works | Health & Human Services | Primary/ Secondary Education | Debt & Other | Total |
|------------|--------------------|---------------|--------------|-------------------------|------------------------------|--------------|---------|
| FY01 | \$97 | \$158 | \$184 | \$55 | \$670 | \$195 | \$1,358 |
| FY09 | \$124 | \$259 | \$231 | \$75 | \$1,079 | \$355 | \$2,122 |
| % Change * | 27% | 64% | 26% | 37% | 61% | 82% | 56% |

Baltimore County: Total Expenditures (\$ Millions)

| Year | General Government | Public Safety | Public Works | Health & Human Services | Primary/ Secondary Education | Debt & Other | Total |
|------------|--------------------|---------------|--------------|-------------------------|------------------------------|--------------|---------|
| FY01 | \$83 | \$222 | \$200 | \$52 | \$1,002 | \$427 | \$1,985 |
| FY09 | \$129 | \$353 | \$326 | \$78 | \$1,439 | \$615 | \$2,940 |
| % Change * | 55% | 59% | 63% | 51% | 44% | 44% | 48% |

Howard County: Total Expenditures (\$ Millions)

| Year | General Government | Public Safety | Public Works | Health & Human Services | Primary/ Secondary Education | Debt & Other | Total |
|------------|--------------------|---------------|--------------|-------------------------|------------------------------|--------------|---------|
| FY01 | \$65 | \$79 | \$97 | \$25 | \$416 | \$141 | \$823 |
| FY09 | \$90 | \$164 | \$132 | \$39 | \$805 | \$287 | \$1,516 |
| % Change * | 37% | 107% | 36% | 58% | 94% | 104% | 84% |

Prince George's County: Total Expenditures (\$ Millions)

| Year | General Government | Public Safety | Public Works | Health & Human Services | Primary/ Secondary Education | Debt & Other | Total |
|------------|--------------------|---------------|--------------|-------------------------|------------------------------|--------------|---------|
| FY01 | \$126 | \$235 | \$280 | \$69 | \$1,126 | \$500 | \$2,336 |
| FY09 | \$216 | \$372 | \$422 | \$94 | \$1,936 | \$803 | \$3,843 |
| % Change * | 72% | 58% | 51% | 36% | 72% | 61% | 65% |

* Calculates percentage change between FY01 and FY09

2. Per Capita Expenditures: FY01 and FY09

Montgomery County: Per Capita Expenditures

| Year | General Government | Public Safety | Public Works | Health & Human Services | Primary/ Secondary Education | Debt & Other | Total |
|------------|--------------------|---------------|--------------|-------------------------|------------------------------|--------------|---------|
| FY01 | \$222 | \$398 | \$426 | \$201 | \$1,605 | \$836 | \$3,688 |
| FY09 | \$359 | \$589 | \$646 | \$277 | \$2,466 | \$1,461 | \$5,799 |
| % Change * | 62% | 48% | 51% | 38% | 54% | 75% | 57% |

Anne Arundel County: Per Capita Expenditures

| Year | General Government | Public Safety | Public Works | Health & Human Services | Primary/ Secondary Education | Debt & Other | Total |
|------------|--------------------|---------------|--------------|-------------------------|------------------------------|--------------|---------|
| FY01 | \$196 | \$317 | \$369 | \$110 | \$1,348 | \$392 | \$2,732 |
| FY09 | \$237 | \$496 | \$442 | \$144 | \$2,070 | \$682 | \$4,071 |
| % Change * | 21% | 56% | 20% | 31% | 54% | 74% | 49% |

Baltimore County: Per Capita Expenditures

| Year | General Government | Public Safety | Public Works | Health & Human Services | Primary/ Secondary Education | Debt & Other | Total |
|------------|--------------------|---------------|--------------|-------------------------|------------------------------|--------------|---------|
| FY01 | \$109 | \$291 | \$262 | \$68 | \$1,314 | \$560 | \$2,604 |
| FY09 | \$163 | \$447 | \$412 | \$99 | \$1,822 | \$779 | \$3,723 |
| % Change * | 50% | 54% | 57% | 46% | 39% | 39% | 43% |

Howard County: Per Capita Expenditures

| Year | General Government | Public Safety | Public Works | Health & Human Services | Primary/ Secondary Education | Debt & Other | Total |
|------------|--------------------|---------------|--------------|-------------------------|------------------------------|--------------|---------|
| FY01 | \$256 | \$311 | \$379 | \$98 | \$1,630 | \$552 | \$3,224 |
| FY09 | \$318 | \$583 | \$467 | \$140 | \$2,855 | \$1,017 | \$5,379 |
| % Change * | 24% | 88% | 23% | 43% | 75% | 84% | 67% |

Prince George's Per Capita Expenditures

| Year | General Government | Public Safety | Public Works | Health & Human Services | Primary/ Secondary Education | Debt & Other | Total |
|------------|--------------------|---------------|--------------|-------------------------|------------------------------|--------------|---------|
| FY01 | \$154 | \$288 | \$344 | \$85 | \$1,381 | \$613 | \$2,866 |
| FY09 | \$258 | \$446 | \$506 | \$113 | \$2,320 | \$962 | \$4,604 |
| % Change * | 68% | 55% | 47% | 32% | 68% | 57% | 61% |

* Calculates percentage change between FY01 and FY09

3. Total Revenue: in FY01 and FY09

Montgomery County Revenues (\$ Millions)

| | Local Taxes | Total Intergovernmental Aid | Other | Total |
|------------|-------------|-----------------------------|---------|---------|
| FY01 | \$1,844 | \$624 | \$1,036 | \$3,505 |
| FY09 | \$3,018 | \$1,103 | \$1,420 | \$5,541 |
| % Change * | 64% | 77% | 37% | 58% |

Anne Arundel County Revenue (\$ Millions)

| | Local Taxes | Total Intergovernmental Aid | Other | Total |
|------------|-------------|-----------------------------|-------|---------|
| FY01 | \$693 | \$334 | \$338 | \$1,365 |
| FY09 | \$1,010 | \$571 | \$482 | \$2,063 |
| % Change * | 46% | 71% | 43% | 51% |

Baltimore County Revenue (\$ Millions)

| | Local Taxes | Total Intergovernmental Aid | Other | Total |
|------------|-------------|-----------------------------|-------|---------|
| FY01 | \$1,084 | \$569 | \$382 | \$2,034 |
| FY09 | \$1,525 | \$1,008 | \$365 | \$2,898 |
| % Change * | 41% | 77% | -4% | 42% |

Howard County Revenue (\$ Millions)

| | Local Taxes | Total Intergovernmental Aid | Other | Total |
|------------|-------------|-----------------------------|-------|---------|
| FY01 | \$473 | \$182 | \$149 | \$805 |
| FY09 | \$860 | \$385 | \$289 | \$1,534 |
| % Change * | 82% | 111% | 94% | 91% |

Prince George's County Revenues (\$ Millions)

| | Local Taxes | Total Intergovernmental Aid | Other | Total |
|------------|-------------|-----------------------------|-------|---------|
| FY01 | \$1,043 | \$831 | \$584 | \$2,457 |
| FY09 | \$1,647 | \$1,487 | \$642 | \$3,776 |
| % Change * | 58% | 79% | 10% | 54% |

*Calculates percentage change between FY01 and FY09

4. Per Capita Revenue: FY01 and FY09

Montgomery County: Per Capita Revenues

| | Local Taxes | Total Intergovernmental Aid | Other | Total |
|------------|-------------|-----------------------------|---------|---------|
| FY01 | \$2,065 | \$699 | \$1,160 | \$3,923 |
| FY09 | \$3,107 | \$1,135 | \$1,461 | \$5,703 |
| % Change * | 50% | 62% | 26% | 45% |

Anne Arundel County: Per Capita Revenues

| | Local Taxes | Total Intergovernmental Aid | Other | Total |
|------------|-------------|-----------------------------|-------|---------|
| FY01 | \$1,394 | \$673 | \$680 | \$2,746 |
| FY09 | \$1,939 | \$1,095 | \$925 | \$3,958 |
| % Change * | 39% | 63% | 36% | 44% |

Baltimore County Per Capita Revenues

| | Local Taxes | Total Intergovernmental Aid | Other | Total |
|------------|-------------|-----------------------------|-------|---------|
| FY01 | \$1,421 | \$747 | \$501 | \$2,668 |
| FY09 | \$1,939 | \$1,095 | \$925 | \$3,958 |
| % Change * | 36% | 71% | -8% | 48% |

Howard County Per Capita Revenues

| | Local Taxes | Total Intergovernmental Aid | Other | Total |
|------------|-------------|-----------------------------|-------|---------|
| FY01 | \$1,855 | \$715 | \$585 | \$3,155 |
| FY09 | \$1,931 | \$1,276 | \$462 | \$3,669 |
| % Change * | 4% | 78% | -21% | 16% |

Prince George's County Per Capita Revenue

| | Local Taxes | Total Intergovernmental Aid | Other | Total |
|------------|-------------|-----------------------------|-------|---------|
| FY01 | \$1,280 | \$1,019 | \$716 | \$3,015 |
| FY09 | \$1,974 | \$1,782 | \$769 | \$4,525 |
| % Change * | 54% | 75% | 7% | 50% |

* Calculates percentage change between FY01 and FY09

C. Comparative Salary Data

The following pages are excerpts from two documents that the Council receives annually during operating budget worksessions:

- Beginning on circle 53 is an excerpt from data compiled by the Council Staff Director on annual pay changes since FY01 for County agencies, other regional local governments and school systems, the State, and the Federal Government. The excerpt provided is from an April 12, 2010 MFP Committee packet.
- Beginning on circle 72 is selected wage and salary comparability data compiled by the Office of Human Resources as part of the annual Personnel Management Review. The excerpt provided is from the PMR published in April 2010.

MEMORANDUM

April 12, 2010

TO: Management and Fiscal Policy Committee

FROM: Stephen B. Farber, Council Staff Director *SBF*

SUBJECT: Update of Pay Changes since FY01: Montgomery County and Bi-County Agencies, Other Regional Local Governments and School Systems, the State, and the Federal Government

The attached tables, prepared by Legislative Analyst Amanda Mihill, update the annual pay changes since FY01 for the County and Bi-County agencies, other regional local governments and school systems, the State, and the Federal Government. OLO developed the format in 1994. Data are updated here for FY11 recommended.

The tables place pay changes in four categories:

- Increments (or step increases) provided to employees not at top of grade;
- General wage adjustments (COLAs);
- Lump-sum payments; and
- Adjustments made to the top of salary ranges.

An index to the tables is on the next page. When reviewing the tables, please keep in mind the following points about the format and content of the data provided:

1. For FY01-10, the tables report the pay changes that were actually implemented.
2. A hyphen (-) indicates that there was no change to that component of pay in that year. A blank space indicates that the information was not available.
3. For the Montgomery County and Bi-County agencies, the tables include increment amounts by bargaining unit. For units that have a variable as opposed to a fixed increment amount, the table reports the weighted average received by employees that year unless otherwise indicated.
4. For the non-Montgomery County jurisdictions, we have again attempted to provide more specific information on increments or steps, despite the diverse approaches to providing them. Where such information was not available, "Yes" indicates that increments were provided; a hyphen indicates that increments were not provided.
5. For the non-Montgomery County jurisdictions, a notation under the title indicates whether compensation is subject to collective bargaining.

Thanks are due once again this year to the budget and human resources staff of the five County and Bi-County agencies and our neighboring jurisdictions for their contributions to this compilation of data.

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MONTGOMERY COUNTY GOVERNMENT

| | FY01 | FY02 | FY03 | FY04 | FY05 | FY06 | FY07 | FY08 | FY09 | FY10 | REC FY11(v) |
|--|------|-------|------|----------|---------|-------|------|------|----------|------|----------------|
| Police (FOP) | | | | | | | | | | | |
| Increment | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 0.0% |
| General adjustment (COLA) | 2.7% | (b) | (d) | 2.0% | 2.0%(g) | 2.75% | (m) | - | 4.0% | 0.0% | 0.0% |
| Lump-sum payment | - | - | - | - | (h) | - | - | - | - | - | - |
| Top of range adjustment | - | - | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | (k) | - | (o) | - | - | - |
| Fire (IAFF) | | | | | | | | | | | |
| Increment | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 0.0% |
| General adjustment (COLA) | 2.9% | (c) | 5.0% | 3.5% | 3.5% | (l) | (n) | 5.0% | 2%+2%(s) | 0.0% | 0.0% |
| Lump-sum payment | - | - | - | - | - | - | - | - | - | - | - |
| Top of range adjustment | - | - | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | (e) | (e) | - | - | - | - | (t) | - |
| Office, Professional, and Technical Bargaining Unit/Service, Labor, and Trade Bargaining Unit (MCGEO) | | | | | | | | | | | |
| Increment | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 0.0% |
| General adjustment (COLA) | (a) | 3.25% | 3.5% | 3.75%(f) | 2.0%(g) | 2.75% | (m) | 4.0% | 4.5% | 0.0% | 0.0% |
| Lump-sum payment | - | - | - | - | - | - | - | - | - | - | - |
| Top of range adjustment | - | - | - | - | (i) | - | - | (p) | - | (u) | - |
| Non-Represented | | | | | | | | | | | |
| Increment | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 0.0% |
| General adjustment (COLA) | (a) | 3.25% | 3.5% | 2.0% | 2.0%(g) | 2.75% | (m) | 4.0% | 4.5% | 0.0% | 0.0% |
| Lump-sum payment | - | - | - | - | - | (q) | (q) | (q) | (q) | - | - |
| Top of range adjustment | - | - | - | - | (j) | (r) | (r) | (r) | (r) | - | - |

- (a) 2.0% effective 7/2/00; 1.0% effective 1/14/01.
 (b) Effective 7/1/01, a flat dollar amount of \$2800 per employee and effective 1/13/02 an additional flat dollar amount of \$600 per employee.
 (c) 2.0% effective 7/1/01; 1.0% effective 1/13/02.
 (d) 3.0% effective 7/02; 1.0% effective 1/03.
 (e) Pay plan adjustment equal to 3.5%.
 (f) Effective 11/30/03.
 (g) Effective 9/5/04.
 (h) Return to uniform pay plan starting 1/9/05 for unit members with 20 years of completed service.
 (i) Starting 1/9/05 employees who have completed 20 years of service and are at the maximum of their pay grade will receive a longevity increment of 2%.
 (j) Range expansion of 1.75%, 3.75% for employees in the Management Leadership Service.
 (k) Effective 1/8/06 current min/max salary schedule will be converted to a matrix based step schedule.
 (l) 3% effective 7/10/05; 1% effective 1/8/06.

- (m) 3.0% effective 7/9/06; 1.0% effective 1/7/07.
- (n) 4.0% effective 7/9/06; 1.0% effective 1/7/07.
- (o) Increase wage rate of Step 0, Year 1, by \$3,151 with promotions and increments calculated from that point. Equals an adjustment of 7.5%.
- (p) Increase longevity percentage by 1.0%, effective 1/6/08.
- (q) Performance lump sum award: 2% for exceptional and 1% for highly successful.
- (r) Longevity/performance increment 2 years of consecutive exceptional or highly successful: 1% added to base pay and effective 1/7/07, 2% added to base pay.
- (s) 2.0% effective 7/6/08; 2.0% effective 1/4/09.
- (t) A new longevity adjustment at 28 years of service in July 2009 and additional steps on the salary in July 2010.
- (u) 3.0% longevity increase.
- (v) There will be no GWAs, longevity pay, or service increments for FY2011.

MONTGOMERY COUNTY PUBLIC SCHOOLS

REC

| | FY01 | FY02 | FY03 | FY04 | FY05 | FY06 | FY07 | FY08 | FY09 | FY10 | FY11 |
|---|---|----------|----------|----------|------------|------------|------------|------------|------------|----------|----------|
| Teachers (MCEA) | | | | | | | | | | | |
| Increment | 1.5-3.9% | 1.5-3.9% | 1.5-3.9% | 1.5-3.9% | 1.5-3.9% | 1.5-3.9% | 1.5-3.9% | 1.5-3.9% | 1.5-3.9% | 1.5-3.9% | 1.5-3.9% |
| Increment-weighted average (a) | 1.6% | 1.7% | 1.9% | 1.9% | 1.9% | 2.0% | 1.9% | 2.2% | 2.3% | 2.1% | 2.1% (v) |
| Negotiated salary schedule increase | 5.0%(g)(i) | 4.0% (g) | 4.0% (g) | 4.0% (g) | 2.0% | 2.75% | 4.0%(o) | 4.8%(p) | 5.0%(q) | 0.0%(t) | 0.0%(u) |
| Lump-sum payment (b) | \$300 | \$400 | \$400 | \$400 | \$400 | \$400 | \$400 | \$400 | \$400 | \$400 | \$400 |
| Top of range adjustment | (h) | - | - | - | - | - | - | - | - | - | - |
| Admin. and Supervisory Personnel (MCAAP) | | | | | | | | | | | |
| Increment | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| Increment-weighted average (a) (d) | 1.0% | 1.0% | 0.9% | 0.8% | 0.9% | 1.1% | 0.9% | 1.1% | 1.2% | 1.1% | .9% (v) |
| Negotiated salary schedule increase | 5.125%(i) | 3.0% | 3.0% | 3.0%(j) | 2.0%(m) | 2.0%(n) | 4.0%(o) | 4.8%(p) | 5.0%(q) | 0.0%(t) | 0.0%(u) |
| Lump-sum payment | - | - | - | - | \$1,500(l) | \$1,500(l) | \$1,500- | \$1,500- | \$1,500- | \$1,500- | \$1,500- |
| Top of range adjustment | - | - | - | - | - | - | \$3,000(l) | \$3,000(l) | \$3,000(l) | 3,000(l) | 3,000(l) |
| Business and Operations Administrators (MCBOA) | | | | | | | | | | | |
| Increment | | | | | | | | | | | |
| Increment-weighted average | | | | | | | | | | | |
| Negotiated salary schedule increase | | | | | | | | | | | |
| Lump-sum payment | | | | | | | | | | | |
| Top of range adjustment | | | | | | | | | | | |
| Supporting Services Employees (SEIU Local 500) | | | | | | | | | | | |
| Increment | 1.9-5.5% | 1.7-5.5% | 1.7-5.6% | 1.6-5.6% | 1.6-5.6% | 1.6-5.6% | 1.9-5.6% | 1.9-5.6% | 1.9-5.5% | 1.9-5.5% | 1.9-5.5% |
| Increment-weighted average (a) | 1.6% | 1.7% | 1.8% | 1.9% | 1.8% | 1.9% | 1.6% | 1.9% | 1.8% | 1.7% | 1.4% (v) |
| Negotiated salary schedule increase | 5.0%(i) | 3.0% | 3.0% | 3.0%(k) | 2.0% | 2.75% | 4.0%(o) | 4.8%(p) | 5.0%(q) | 0.0%(t) | 0.0%(u) |
| Lump-sum payment (c) | \$100 | \$100 | \$100 | \$100 | \$100 | \$200 | \$200 | \$200 | \$200 | \$200 | \$200 |
| Top of range adjustment | - | - | - | - | - | - | - | - | - | - | - |
| Non-Represented | All non-represented employees (except 22 nonscheduled employees including Executive staff, Board staff, and the chief negotiator) receive the same increments and other salary adjustments as the bargaining units for which these positions are covered. | | | | | | | | | | |
| Increment | | | | | | | | | | | |
| Negotiated salary schedule increase | | | | | | | | | | | |
| Lump-sum payment | | | | | | | | | | | |
| Top of range adjustment | | | | | | | | | | | |

- (a) The number provided in the chart represents the weighted average increase received by eligible employees. It is based on the number of employees who receive the step increment at various points (anniversary dates) in the year. An average annual cost of the salary increments is used for this analysis.
- (b) For FY 1996 through FY 1999, a bonus payment of \$300 was provided to any substitute teacher who worked 100 or more days. Beginning FY 2002, an incentive payment of \$400 is provided to any substitute teacher who works 45 or more days within a semester. In conjunction with this change, the retiree substitute incentive plan was eliminated in FY 2002.
- (c) A lump sum net payment of \$100 each year for employees with 22 or more years of service. This amount increased to \$200 for FY 2006.
- (d) The negotiated agreement with MCAAP provided for the addition of one step on salary scales N through Q beginning July 1, 1997 (FY 1998) and July 1, 1999 (FY 2000). The amount of this impact is included in the increment-weighted average for each year.
- (e) In FY 2000, the negotiated agreement with MCEA provided salary scale changes for an average increase in the salary schedule of 3%. Beginning FY 2000, the agreement also provides a \$2,000 salary supplement to teachers who achieve and maintain a national certification standard.
- (f) In FY 2000, the negotiated agreement with MCAAP provided for a salary increase of 2% effective November 27, 1999, resulting in a 1% salary impact.

- (g) The negotiated agreement with MCEA provided salary scale changes for an average increase in the salary schedule of 5.0% for FY 2001 and 4.0% for FY 2002 while an additional 1.0% from the State was applied to this salary schedule each year for a net increase of 6.0% for FY 2001 and 5.0% for FY 2002. For FY 2003 and FY 2004, the negotiated agreement with MCEA provided salary scale changes for an average increase in the salary schedule of 4.0% and added two more days to the work year for 10-month employees for an equivalent of an additional 1.0% applied to the salary schedule for a net increase of 5.0% for each year. The FY 2004 negotiated agreement with MCEA provided for a salary schedule increase of 4.0% implemented on 10/31/03 for 12-month unit members and 12/1/03, for 10-month unit members, resulting in a 3.66% salary impact.
- (h) In FY 2001, a 2.25% longevity payment was negotiated for teachers who have been at the top of the scale for 6 years.
- (i) In FY 2001, the salary increase was funded in part through a change in the employee benefits program and structure for a net budgetary increase of 5% for salary.
- (j) For FY 2004, the negotiated agreement with MCAAP provided for a salary schedule increase of 3.0% implemented on 10/7/03, for 12-month unit members and 11/8/03, for 11-month assistant school administrators, resulting in a 1.87% salary impact.
- (k) For FY 2004, the negotiated agreement with SEIU Local 500 provided for a salary schedule increase of 3.0% implemented on 10/7/03 for 12 month unit members and 11/8/03, for all other unit members, resulting in a 2.05% salary impact.
- (l) Effective October 1, 2004, the negotiated agreement with MCAAP provided an annual longevity supplement of \$1,500 for each unit member who completed ten or more years as an administrator and/or supervisor with MCPS. Effective December 1, 2006, the negotiated agreement with MCAAP provided an annual longevity supplement of \$1,500 for each unit member who completed five or more years as an administrator and/or supervisor with MCPS. Subsequent to that date, the negotiated agreement with MCAASP provided an annual longevity supplement of \$3,000 for each unit member who completed ten or more years as an administrator and/or supervisor with MCPS.
- (m) For FY 2005, the negotiated agreement with MCAAP provided for a salary schedule increase of 2.0% implemented on 10/2/04, for 12-month unit members and 11/13/04, for 11-month assistant school administrators, resulting in a 1.49% salary impact.
- (n) For FY 2006, the negotiated agreement with MCAAP provided for a 2% salary schedule increase and salary scale adjustments equivalent to an average of an additional 0.75%.
- (o) For FY 2007, the negotiated agreement with MCEA and SEIU Local 500 provided for a salary schedule increase of 3.0% on 7/1/06 and an additional 1.0% effective mid-year, resulting in a 3.5% salary impact. The negotiated agreement with MCAAP provided for a salary schedule increase of 4.0% and scale adjustments effective November 1, 2006, resulting in a 3.5% average salary impact.
- (p) For FY 2008, the negotiated agreement with MCAAP, MCEA, and SEIU Local 500 provided for a 4.8% salary schedule increase and other compensation changes equivalent to an average of an additional 0.2% for a total of 5.0%.
- (q) For FY 2009, the negotiated agreement with MCAAP, MCEA, and SEIU Local 500 provides for a 5.0% salary schedule increase.
- (r) During FY 2008, the BOE approved the formation of a fourth bargaining unit - The Montgomery County Business and Operations Administrators (MCBOA). In FY 2009, the compensation for these employees was included in the SEIU salary numbers.
- (s) Unit members will receive a \$1,500 longevity supplement at 5, 10, and 15 years of service.
- (t) The 2008-2010 contracts with MCAAP, MCBOA, MCEA, and SEIU Local 500 included, for FY 2010, a 5.3% COLA and other salary-related improvements. Due to the fiscal situation, the unions have agreed to forgo the FY 2010 COLA and salary-related improvements.
- (u) Due to the fiscal situation, there is no COLA budgeted for FY 2011. MCPS is currently in negotiations with all unions on a new contract.
- (v) The FY 2011 Board of Education budget request contains increases for increments. However, due to the fiscal situation, this is subject to current negotiations with all unions on a new contract.

MONTGOMERY COLLEGE

| | FY01 | FY02 | FY03 | FY04 | FY05 | FY06 | FY07 | FY08 | FY09 | FY10 | FY11 |
|--|---------|---------|----------------|----------------|-----------------|----------------|---------------|----------------|----------------|------------|------|
| Faculty (AAUP) | | | | | | | | | | | |
| Increment | \$2,000 | - | - | \$1,167 | - | - | - | - | - | - | (m) |
| General adjustment (COLA) | (a) | 6.0%(c) | 6.5%(d) | 3.625%(f) | 1.6% | 2.75% | 3.75% | 5.3% | 5.5% | - | - |
| Lump-sum payment | - | - | - | - | \$1,879 | \$1,931 | \$2,019 | \$2,125 | \$2,242 | \$2,372(l) | - |
| Top of range adjustment | (a) | - | - | (g) | 1.6%(i) | 2.75%(j) | 3.75%(k) | 5.3% | 5.5% | - | - |
| Administrators | | | | | | | | | | | |
| Increment | 4.75% | 6.0% | 4.0%- 6.25% | 2.5%- 4.25% | 3.65%- 4.15% | 4.75%- 5.5% | 3.75% 6.5% | 4.75%- 7.5% | 4.75%- 7.0% | TBD | - |
| General adjustment (COLA) | - | - | - | - | - | - | - | - | - | - | - |
| Lump-sum payment | - | - | - | (h) | - | - | - | - | - | - | - |
| Top of range adjustment | 2.75% | 4.0% | 4.0% | 3.6% | 2% | 2.75% | 3.75% | 4.75% | 5.0% | - | - |
| Staff - Non-Bargaining and Bargaining | | | | | | | | | | | |
| Increment | (b) | 2.25% | (e) | 2.0% | 3.25% | 2.75% | 2.75% | 3.0% | 3.0% | 3.0% | (m) |
| General adjustment (COLA) | 2.75% | 4.0% | 4.0% | 3.6%(f) | 2.0% | 2.75% | 3.75% | 4.75% | 5.0% | - | - |
| Lump-sum payment | - | - | (e) | - | - | - | - | - | - | \$500(l) | - |
| Top of range adjustment | 2.75% | - | - | 3.6% | 2.0% | 2.75% | 3.75% | 4.75% | 5.0% | - | - |

- (a) 2% effective at start of academic year, to maximum salary of \$68,542. 1% effective January 2001, to maximum salary of \$69,227.
- (b) Non-Bargaining employees received 2.0% increment and \$30 for each year of service. Bargaining employees received 2.5% increment.
- (c) Faculty earning the maximum salary received a 5% increase to \$72,689. Faculty below the maximum received an increase of 3.6% plus \$1,870 up to a new maximum of \$72,689.
- (d) Faculty earning the maximum salary received a 5% increase to \$76,323. Faculty below the maximum received an increase of 3.71% plus \$1,964 up to a new maximum of \$76,323.
- (e) Non-bargaining support staff received \$1,190; AFSCME staff received an increment of 2.25% instead.
- (f) Delayed by 4.6 months of fiscal year.
- (g) Not to exceed \$79,090.
- (h) Up to \$2,000 based on performance for those at top of range.
- (i) Not to exceed \$80,355 or \$81,955 for those eligible for a one-time longevity increase.
- (j) Not to exceed \$82,565 or \$84,165 for those eligible for a one-time longevity increase.
- (k) Not to exceed \$85,661 or \$87,261 for those eligible for a one-time longevity increase. COLA - 3% effective 7/1/06 plus 1.5% effective 1/1/07.
- (l) Staff: lump sum one-time payment of \$500 for employees at top of scale; faculty - lump sum one-time payment ranging from \$500-1,000 depending on salary; base pay increase of \$2,372 is delayed until October 23, 2009.
- (m) AFSCME agreement signed for no salary improvement; AAUP is still open.

MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

REC

| | FY01 | FY02 | FY03 | FY04 | FY05 | FY06 | FY07 | FY08 | FY09 | FY10 | FY11 |
|--|------|------|------|----------|------|------|------|-------|-------|------|--------|
| Non-Represented | | | | | | | | | | | |
| Increment | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | (n) |
| General adjustment (COLA) | (a) | (c) | (d) | 2.5% (f) | 2.7% | 2.8% | 3.0% | 3.25% | 3.25% | 0% | (n) |
| Lump-sum payment | - | - | - | - | - | - | - | - | - | - | - |
| Top of range adjustment | - | - | - | - | - | - | (i) | - | - | - | - |
| Service/Labor, Trades, and Office/Clerical Bargaining Units (MCGEO, Local 1994) | | | | | | | | | | | |
| Increment | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | (m) | (m)(n) |
| General adjustment (COLA) | (a) | (c) | (d) | 2.5% (f) | 2.7% | 2.8% | 3.0% | 3.25% | 3.25% | (m) | (m)(n) |
| Lump-sum payment | - | - | - | - | - | - | - | - | - | - | - |
| Top of range adjustment | - | - | - | - | - | - | (i) | (i) | - | - | - |
| Park Police (FOP, Lodge 30) | | | | | | | | | | | |
| Increment | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | (l)(n) |
| General adjustment (COLA) | (b) | (b) | (e) | (e) | (g) | (h) | (i) | (k) | (l) | (l) | (l)(n) |
| Lump-sum payment | - | - | - | - | - | - | - | - | - | - | - |
| Top of range adjustment | - | - | - | - | (g) | - | - | - | - | - | - |

- (a) 2.5% COLA effective 7/9/00; 5% COLA effective 1/7/01.
- (b) 2.25% COLA effective from 2/1/01 to 1/31/02; 3% from 2/1/02; 1% from 11/1/02.
- (c) 2.6% COLA effective 7/8/01; 0.5% COLA effective 1/6/02.
- (d) 2.5% COLA effective 7/02; 75% COLA effective 10/02.
- (e) 2.5% COLA effective 02/03; 2.75% effective 02/04.
- (f) COLA was effective 9/14/2003.
- (g) 2.5% COLA for officers below the rank of Sergeant effective 5/2005. Sergeants were granted a 5.0% COLA effective 5/2005. One 2.5% step added for Sergeants (P05) only.
- (h) 2.5% COLA effective 7/05. Additionally, in exchange for officers covered by Long Term Disability or the Comprehensive Disability Benefit Program increasing their premium from 15% to 100% or 20% to 80%, respectively, a 1% COLA is provided effective 4/06.
- (i) The primary pay scale for non-represented employees was elongated by the equivalent of two 3.5% step increases. The IT scale was elongated by 3.5%, pending a salary survey to determine whether the special pay scale should continue. The pay scales for MCGEO employees were elongated by 3.5% in both FY07 and FY08.
- (j) 3.5% effective 7/06, plus an additional 1% increase in 7/06, predicated again on increasing the officers' percentage share of disability premiums.
- (k) 3.5% effective 7/07, plus an additional 1% increase in 7/07, predicated as above.
- (l) 3.25% COLA effective first pay period after July 1, 2008; 3.75% COLA effective first pay period after July 1, 2009; and 4% COLA effective first pay period after August 1, 2010 based on a ratified three-year contract (FY09-11) with the FOP.
- (m) FY10: replacing a normal COLA and merit, a \$1,420 (pro-rated) wage adjustment instead will be provided to each MCGEO member (applied up to, but not beyond the top of the grade), effective first pay period following July 1, 2009. Of the \$1,420, \$640 is distributed to every MCGEO member, and the rest \$780 (maximum assuming satisfactory performance rating) will be pro-rated based on anniversary date and adjusted based on performance rating. FY11: 2.25% COLA effective first pay period after Oct. 1, 2010; 3.5% merit (increment) for qualified employees not on top of grade based on anniversary dates.
- (n) Commission is projected to determine the COLA and merit for non-represented, MCGEO, and FOP employees by June. The Commission started re-openers of the two existing contracts with MCGEO and FOP, and is uncertain about the potential negotiation results as well as the two County Councils' budget decisions on compensation in May 2010. The proposed budget included funding for potential merit and COLA based on ratified contracts for MCGEO & FOP with same assumptions for non-represented employees as MCGEO employees.

WASHINGTON SUBURBAN SANITARY COMMISSION

REC

| AFSCME | FY01 FY02 FY03 FY04 FY05 FY06 FY07 FY08 FY09 FY10 FY11 | | | | | | | | | | |
|---------------------------|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|------|
| | FY01 | FY02 | FY03 | FY04 | FY05 | FY06 | FY07 | FY08 | FY09 | FY10 | FY11 |
| Merit pay adjustment (a) | 3.5%(b) | 3.5%(b)(c) | 0%(d) | 3.5%(c)(g) | 3.5%(c)(g) | 3.5%(c)(g) | 3.5%(c)(g) | 3.5%(c)(g) | 3.0%(c)(g) | 3.0%(c)(g) | (i) |
| General adjustment (COLA) | 2.5% | 3.0%+1%(d) | 0%(d) | 3.0%(f) | 2.0% | 2.0% | 3.5% | 3.75% | 3.5% | 0% | (i) |
| Lump-sum payment | - | - | \$2,256(e) | - | - | - | - | - | - | - | - |
| Top of range adjustment | - | - | - | - | - | - | - | - | - | - | - |
| Non-Represented | | | | | | | | | | | |
| Merit pay adjustment (a) | 3.5%(b) | 3.5%(b)(c) | 0%(d) | 3.5%(c)(g) | 3.5%(c)(g) | 3.5%(c)(g) | 3.5%(c)(g) | 3.5%(c)(g) | 3.0%(c)(g) | 3.0%(c)(g) | 0% |
| General adjustment (COLA) | 2.5% | 3.0%+1%(d) | 0%(d) | 3.0%(f) | 2.0% | 2.0% | 3.5% | 3.75% | 3.5% | 0% | 0% |
| Lump-sum payment | - | - | \$2,256(e) | - | - | - | - | - | - | - | - |
| Top of range adjustment | - | - | - | - | - | - | - | - | - | - | - |

(a) WSSC has a performance based merit pay system. Adjustments to base pay are based upon annual employee evaluations. In FY09, a new Performance Management System applies to all employees except those reporting directly to the Commissioners or in a bargaining unit. A rating of 3.0 and above will result in a corresponding percentage pay increase. A rating below 3.0 will result in a Performance Improvement Plan (PIP). Employees rated below a 2.0 numerical rating or employees who do not successfully complete their PIP are subject to release.

The merit pay salary adjustments associated with each performance rating category FY94-FY08 were:

| | FY94 | FY95 | FY96 | FY97 | FY98 | FY99 | FY00 | FY01 | FY02 | FY03 | FY04 | FY05 | FY06 | FY07 | FY08 |
|--------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| Superior | 5.0% | 4.5% | 4.5% | 4.5% | 4.5% | 4.5% | 4.5% | 4.5% | 4.5% | 0.0% | 4.5% | 4.5% | 4.5% | 4.5% | 4.5% |
| Commendable | - | 4.0% | 4.0% | 4.0% | 4.0% | 4.0% | 4.0% | 4.0% | 4.0% | 0.0% | 4.0% | 4.0% | 4.0% | 4.0% | 4.0% |
| Fully satisfactory | 4.0% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 0.0% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% |
| Needs improvement | 1.0% | 1.0% | 1.0% | 1.0% | 1.0% | 1.0% | 1.0% | 1.0% | 1.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Unsatisfactory | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |

(b) Employees within 1% of the maximum of their grade who received either commendable or superior evaluations would receive up to a \$500 or \$1000 cash payment.

(c) Merit pay adjustment was replaced with skill-based compensation for some bargaining unit employees in FY02.

(d) The FY03 Budget included \$2.1 million for salary enhancements. COLAs and merit increases for WSSC employees were limited by State Law to no more than what State employees receive. Since State employees received no COLAs or merit increases in FY'03, WSSC employees also received no increases. In response to this limitation, WSSC implemented a 1% COLA at the end of June 2002 (FY02), a \$750 lump-sum payment in FY'03, and a \$500 deferred compensation match.

(e) In addition to the \$750 lump-sum payment (see note (c) above), employees received a \$1,506 gain-share payment in FY'03 for reducing spending below pre-determined Spending and Workyear Targets, which produced a permanent savings in FY'04. This payment was made in FY'04.

(f) General adjustment (COLA) was effective October 2003 when COLAs and merit increases were no longer limited by State Law.

(g) Employees at grade maximum who receive above average evaluations may receive a onetime cash payment.

(h) Contract to be negotiated.

(i) Contract pending ratification by the union and approval by WSSC.

FAIRFAX COUNTY GOVERNMENT
(Compensation not subject to collective bargaining)

REC

| | FY01 | FY02 | FY03 | FY04 | FY05 | FY06 | FY07 | FY08 | FY09 | FY10 | FY11 |
|-------------------------------|--------|----------|----------|----------|----------|----------|---------|-------|-------|------|------|
| Police | | | | | | | | | | | |
| Increment (a) | Yes(b) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | No | No |
| General adjustment (COLA) | 2.5% | 1.0% | 2.67% | 2.56% | 2.98% | 3.07% | 4.25% | 2.92% | 2.96% | - | - |
| Lump-sum payment | - | - | - | - | - | - | - | - | - | - | - |
| Top of range adjustment | - | 1.0% | 2.67% | 2.56% | 2.98% | 3.07% | 4.25% | 2.92% | 2.96% | - | - |
| Other: Market rate adjustment | - | - | - | (i) | - | - | (m) | - | - | - | - |
| Firefighters | | | | | | | | | | | |
| Increment (a) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | No | No |
| General adjustment (COLA) | 2.5% | 1.0% | 2.67% | 2.56% | 7.25% | 3.07% | 4.25% | 2.92% | 2.96% | - | - |
| Lump-sum payment | - | - | - | - | - | - | - | - | - | - | - |
| Top of range adjustment | - | - | 2.67% | 2.56% | 7.25% | 3.07% | 4.25% | 2.92% | 2.96% | - | - |
| Other: Market rate adjustment | - | (f)(g) | (g) | (i) | (j) | - | 2.0%(m) | - | - | - | - |
| Other Employees | | | | | | | | | | | |
| Increment (a) | No(c) | No | No | No | No | No | No | No | No | No | No |
| General adjustment (COLA) | 2.5% | 1.0% | - | - | - | (k) | - | - | - | - | - |
| Lump-sum payment | - | - | - | - | (k) | (k) | - | - | - | - | - |
| Top of range adjustment | (d) | 3.46%(h) | 2.67%(h) | 2.56%(h) | 2.98%(h) | 3.07%(h) | 4.25% | 2.92% | 2.96% | - | - |
| Other: Market rate adjustment | (e) | - | - | - | (l) | - | (m) | (n) | - | - | - |

- (a) Approximately 40% of all County employees are eligible for merit increment annually due to 2-3 year hold; effective from FY2002, general (non-public safety) no longer has steps in grades.
- (b) Approximately 40% of the work force will receive a 5% increment adjustment and the remaining 60% of the work force is either in a hold period or at the top of the scale. Cost of increments is 1.6% of payroll.
- (c) Effective July 1, 2000, hold steps are eliminated, County moves to an open-range pay system for all employees except Public Safety uniformed, general County employees will be eligible for performance based increments of 0, 3, 5 or 7%.
- (d) Effective July 1, 2000, general County employees at the top of their scale will be eligible for performance based bonus of 0, 3, or 5%.
- (e) Approximately 512 classes out of 670 will be regraded one or more grades; employees 1 grade below market get 2% increase, those 2 or more grades below market get 4% increase.
- (f) For FY2002 only, 2% pay raise to all fire uniformed classes at lieutenant and above, effective July 14, 2001; 4% pay raise to all fire uniformed classes effective 4/6/2002.
- (g) Shift differential increases for police officers to \$0.55 per hour for evening shift and \$0.75 per hour for overnight shift; firefighter shift differential increases to 40.75 cents for all hours worked on a 24 hour shift; general county employees shift differential increases to \$0.40 per hour for evening shift and \$0.55 per hour for overnight shift. From FY02, increase for firefighters changed to \$0.7275 per hour for all hours regardless of shift.
- (h) Effective July 1, 2001, general county employees at the top of their scale will be eligible for performance based bonus from 2% to 7% based on performance at .5% increments: 2.0%, 2.5%, 3.0%, etc.
- (i) Shift Differential Increases effective FY2004: Police: \$.65 evening shift, \$.90 night shift; Fire: \$.7275 all shifts; General County Employees: \$.65 evening shift, \$.90 night shift.
- (j) Increases were effective as: 2.5% July 2004, 2.5% January 2005, 2.25% April 2005.

(k) Lump sum increases provided to those employees who are at the top of their salary ranges and who achieve a certain level of performance rating.

(l) Average performance rating increase -- 4.2%

(m) Market rate adjustment of 4.25% for all. In addition, Fire receives an additional 2%. All is still pending Board Approval.

(n) Market rate adjustment of 2.92% - structure adjustment only for general employees. All is still pending Board Approval.

FAIRFAX COUNTY PUBLIC SCHOOLS
(Compensation not subject to collective bargaining)

| | FY01 | FY02 | FY03 | FY04 | FY05 | FY06 | FY07 | FY08 | FY09 | FY10 | FY11 |
|--|---------|-------------------|------|---------|--------------------------|---------|----------|-------|------|------|------|
| Teachers | | | | | | | | | | | |
| Increment | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | No | No |
| General adjustment (COLA) | 5.0%(a) | 3.0% | 2.0% | 2.0% | 3.0% | 3.0% | 3.0% | 2.0% | 3.0% | 0.0% | 0.0% |
| Lump-sum payment | - | - | - | - | - | - | - | - | - | - | - |
| Top of range adjustment | - | - | - | - | - | - | - | - | - | - | - |
| Other | - | 2.0% longevity | - | 1%(b) | Reduce contract 1 day | 1.4%(d) | 0.40%(e) | 0.40% | - | - | - |
| School Based Administrators | | | | | | | | | | | |
| Increment | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | No | No |
| General adjustment (COLA) | 5.0% | 3.0% | 2.0% | 2.0% | 2.0% | 3.0% | 3.0% | 2.0% | 3.0% | 0.0% | 0.0% |
| Lump-sum payment | - | - | - | - | - | - | - | - | - | - | - |
| Top of range adjustment | 2.5% | - | - | 2.5%(c) | - | - | - | - | - | - | - |
| Other | - | - | - | - | Regrade principals | - | - | - | - | - | - |
| Non-School Based Administrators | | | | | | | | | | | |
| Increment | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | No | No |
| General adjustment (COLA) | 5.0% | 3.0% | 2.0% | 2.0% | 2.0% | 3.0% | 3.0% | 2.0% | 3.0% | 0.0% | 0.0% |
| Lump-sum payment | - | - | - | - | - | - | - | - | - | - | - |
| Top of range adjustment | 2.5% | - | - | 2.5%(c) | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - | - | - | - |
| Support Staff | | | | | | | | | | | |
| Increment | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | No | No |
| General adjustment (COLA) | 5.0% | 3.0% | 2.0% | 2.0% | 2.0% | 3.0% | 3.0% | 2.0% | 3.0% | 0.0% | 0.0% |
| Lump-sum payment | - | - | - | - | - | - | - | - | - | - | - |
| Top of range adjustment | 2.5% | - | - | 2.5%(c) | - | - | - | - | - | - | - |

(a) In addition, instructional assistant's scale was raised from equaling 50.5% of basic teacher scale to 51.0%, which amounted to an extra 1.0% increase.

(b) Two additional contract days added, equivalent to 1% increase.

(c) Additional step prior to longevity step added at 2.5%.

(d) Average additional 1.4% associated with raising entry hiring rate to \$40,000.

(e) 0.4% average increase for scale restructuring.

ANNE ARUNDEL COUNTY GOVERNMENT
(Compensation subject to collective bargaining)

| | FY01 | FY02 | FY03 | FY04 | FY05 | FY06 | FY07 | FY08 | FY09 | FY10 | REC FY11 |
|---------------------------|--------|---------|---------|------|-------------|-------------|------|--------------|--------------|--------|-------------|
| Police | | | | | | | | | | | |
| Increment (a) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes(u) | TBD |
| General adjustment (COLA) | - | 5.0% | 5.0% | 0.0% | 2.0%(q) | 2.0% | 3.0% | 3.0% | 3.0% | 0.0% | |
| Lump-sum payment | Yes | - | - | - | - | - | - | - | - | - | |
| Top of range adjustment | Yes(c) | Yes | - | - | Yes(11.1%) | Yes | Yes | 8.0% | 8.0% | 3.0% | |
| Fire | | | | | | | | | | | |
| Increment (a) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes(v) | TBD |
| General adjustment (COLA) | 5.0% | 5.0% | 4.0% | 0.0% | 2.0%(q) | 2.0% | 2.0% | 3.0% | 3.0% | 0.0% | |
| Lump-sum payment | - | - | - | - | - | - | - | - | - | - | |
| Top of range adjustment | - | Yes(f) | - | - | Yes | Yes | Yes | 8.15% | 8.15% | 5% | |
| Other | | | | | | | | | | | |
| Increment (a) | Yes | Yes | Yes | (o) | Yes | Yes | Yes | Yes | Yes | Yes | TBD |
| General adjustment (COLA) | (d) | (g) | (k) | (p) | 2.0% | 3.0%(r) | 2.0% | 2.0%,1.0%(s) | 2.0%,1.0%(s) | 0.0% | |
| Lump-sum payment | - | - | - | - | - | - | - | - | - | - | |
| Top of range adjustment | Yes(e) | Yes(h) | Yes(l) | - | Yes | Yes | Yes | Yes(t) | Yes(t) | 3.0% | |
| Non-Represented | | | | | | | | | | | |
| Increment (a) | (b) | (b) | (b) | No | 0.0% - 4.5% | 0.0% - 4.5% | Yes | Yes | 5.0% | No | TBD |
| General adjustment (COLA) | 2.0% | 3.0%(i) | 2.0%(m) | 0.0% | 2.0% | 3.0% | 3.0% | 2.0%,1.0%(s) | 3.0% | 0.0% | |
| Lump-sum payment | - | - | - | - | Yes | Yes | - | - | - | - | |
| Top of range adjustment | - | Yes(j) | Yes(n) | - | 5.0% | 4.0% | Yes | Yes | 6.13% | No | |

Top of range adjustments are equivalent to COLA identified unless otherwise footnoted.

(a) Merit increases are performance based and determined through the use of employee evaluations.

(b) Movement through range based on pay for performance. Maximum base pay adjustment limited to 10%.

(c) Two new steps added with 2.5% increases for each.

(d) Clerical union received 1% across the board the board in July 2000 and another 1% in January of 2001. Labor and trades union received 3% across the board increase.

(e) Clerical union added two steps to pay scale at 5% each. Employees allowed 2 additional step advancements beyond regular merits if required in 1996 to change from 35 hours to 30 hours per week without additional compensation (120 employees affected).

(f) Fire union added additional step to each grade.

(g) Clerical union received 2% across the board. Labor and trades union received 3% across the board increase.

(h) Labor and trades union added .5% to max step effective 4/4/02.

(i) Non-represented granted 3% across the board increase effective 7/5/01 and another 3% effective 4/4/02.

(j) Non-represented range adjusted by 7.5% on the min and 10% on the max effective 7/5/01 and adjusted again by 5% on the min and 7.5% on the max effective 4/4/02.

(k) Clerical union will receive 2% across the board increase. Labor and trades union will receive 3% across the board increase.

(l) Labor and trades union will add 1% to max step effective 4/3/03.

(m) COLA added 1/4/03.

(n) Scale adjusted by COLA amount.

(o) Clerical union currently in negotiations but if no agreement is reached will be denied merits. Labor and trades union has one year remaining on contract and will get merit increases.

(p) Clerical union currently in negotiations but if no agreement is reached will be denied COLA. Labor and trades union has one year remaining on contract and will receive 3% COLA.

- (q) COLA provided on 1/13/05.
- (r) Effective 7/14/05 a 2% COLA and effective 4/6/06 a 1% COLA was provided.
- (s) Across the board increases provided as follows: 2% first pay period in July, and additional 1% first pay period in January.
- (t) Maximum pay rate increases as follows: 2% first pay period in July, 1% first pay period in January, and additional 1% first pay period in April.
- (u) Merit amount negotiated at 3%.
- (v) Merit amount renegotiated and reduced to 3%.

ANNE ARUNDEL COUNTY PUBLIC SCHOOLS
(Compensation subject to collective bargaining)

REC

| | FY01 | FY02 | FY03 | FY04 | FY05 | FY06 | FY07 | FY08 | FY09 | FY10 | FY11 |
|--|----------|----------|----------|------|------|------|------|------|------|------|------|
| Teachers | | | | | | | | | | | |
| Increment | 2.5-5.0% | 2.5-5.0% | 2.5-5.0% | - | - | - | - | - | - | TBD | |
| General adjustment (COLA) | 5.0% | 5.0% | 2.0%(a) | 1.0% | 3.0% | 4.0% | 6.0% | 6.0% | 5.0% | | |
| Lump-sum payment | - | - | - | - | - | - | (b) | (b) | - | | |
| Top of range adjustment | - | - | - | - | - | - | - | - | - | | |
| Administration | | | | | | | | | | | |
| Increment | 2.5-5.0% | 2.5-5.0% | 2.5-5.0% | - | - | - | - | 2.0% | 2.0% | 1.0% | |
| General adjustment (COLA) | 2.0% | 4.0% | 2.0%(a) | 1.0% | 2.0% | 3.0% | 6.0% | 6.0% | 6.0% | 6.0% | |
| Lump-sum payment | - | - | - | - | - | - | - | - | - | - | |
| Top of range adjustment | - | - | - | - | - | - | - | (c) | (e) | (f) | |
| AFSCME | | | | | | | | | | | |
| Increment | 2.5-5.0% | 2.5-5.0% | 2.5-5.0% | - | - | - | - | - | - | - | |
| General adjustment (COLA) | 2.0% | 4.0% | 2.0%(a) | 1.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | |
| Lump-sum payment | - | - | - | - | - | - | - | - | - | - | |
| Top of range adjustment | - | - | - | - | - | - | - | (d) | - | - | |
| Secretaries and Teachers Assistants | | | | | | | | | | | |
| Increment | 2.5-5.0% | 2.5-5.0% | 2.5-5.0% | - | - | - | - | - | - | - | |
| General adjustment (COLA) | 2.0% | 4.0% | 2.0%(a) | 1.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | |
| Lump-sum payment | - | - | - | - | - | - | - | - | - | - | |
| Top of range adjustment | - | - | - | - | - | - | - | (d) | - | - | |

(a) 2.0% COLA effective mid-year, which is 1/1/2003 for 12-month employees and 2/5/2003 for 10-month employees.

(b) Longevity Scales compacted.

(c) Add step 36 & 37

(d) Steps 1-25 inclusive. No longevity steps.

(e) Add step 38.

(f) Add step 39.

NOTE: Beginning in FY2008 a performance bonus may be included for those in the Administration bargaining unit.

HOWARD COUNTY PUBLIC SCHOOLS
(Compensation subject to collective bargaining)

| | FY01 | FY02 | FY03 | FY04 | FY05 | FY06 | FY07 | FY08 | FY09 | FY10 | REC FY11 |
|----------------------------|---------|---------|--------|---|---|------|------|------|-------|---------|-------------|
| Teachers | | | | | | | | | | | |
| Increment | Yes | Yes | Yes(f) | Yes | Yes | Yes | Yes | Yes | Yes | No | TBD |
| General adjustment (COLA) | 6.0%(d) | 6.0%(d) | 0.0% | 4.0% | 6.0% | 3.0% | 3.5% | 5.0% | 5.0% | 1.2% | |
| Lump-sum payment | - | - | - | - | - | - | - | - | - | - | |
| Top of range adjustment | - | - | - | - | - | - | - | - | - | - | |
| Other | - | - | - | - | - | - | - | - | - | - | |
| Principals | | | | | | | | | | | |
| Increment | Yes | Yes | No | Yes | Yes | Yes | Yes | Yes | Yes | No | TBD |
| General adjustment (COLA) | 5.0% | 6.0% | 3.0% | 4.0% | 6.0% | 3.0% | 3.5% | 5.0% | 4.75% | 1.2% | |
| Lump-sum payment | - | - | - | - | - | - | - | - | - | - | |
| Top of range adjustment | (a) | - | - | - | - | - | - | - | - | - | |
| Other | - | - | - | - | - | - | - | - | - | - | |
| Admin/Mgmt/Tech | | | | | | | | | | | |
| Increment | Yes | No | No | Yes | Yes | Yes | Yes | No | No | No | TBD |
| General adjustment (COLA) | 5.0% | 6.0% | 3.0% | 6.0% | 6.0% | 3.0% | 3.5% | 5.0% | 5.0% | 1.2%(g) | |
| Lump-sum payment | - | - | - | - | - | - | - | - | - | - | |
| Top of range adjustment | - | - | - | - | - | - | - | - | - | - | |
| Other | - | - | - | - | - | - | - | - | - | - | |
| Educational Support | | | | | | | | | | | |
| Increment | Yes | Yes | No | Yes | Yes | Yes | Yes | Yes | Yes | No | TBD |
| General adjustment (COLA) | 5.0%(e) | 5.0%(e) | 3.0% | 4.0% | 6.0% | 3.0% | 3.5% | 5.0% | 5.0% | 1.2%(h) | |
| Lump-sum payment | - | - | - | Lower steps received larger amounts | Lower steps received larger amounts | - | - | - | - | - | |
| Top of range adjustment | - | - | - | - | - | - | - | - | - | - | |
| Other | - | - | - | - | - | - | - | - | - | - | |
| AFSCME | | | | | | | | | | | |
| Increment | Yes | Yes | No | Yes | Yes | Yes | Yes | Yes | Yes | No | TBD |
| General adjustment (COLA) | 5.0%(e) | 5.0%(e) | 3.0% | 4.0% | 6.0% | 3.0% | 3.5% | 5.0% | 5.0% | 1.2% | |
| Lump-sum payment | - | - | - | - | - | - | - | - | - | - | |
| Top of range adjustment | - | - | - | - | - | - | - | - | - | - | |
| Other | - | - | - | - | - | - | - | - | - | - | |

- (a) New Step 11.
(d) Additional 1.0% from the State.
(e) 6.0% for employees not receiving increment (i.e., at top of scale).
(f) Increment plus adjustments to frozen steps equates to 3.0%.
(g) Value of 1.2% divided equally among eligible staff.
(h) Adjustments to scale(s) equate to 1.2%.

HOWARD COUNTY GOVERNMENT
(Compensation subject to collective bargaining)

| | FY01 | FY02 | FY03 | FY04 | FY05 | FY06 | FY07 | FY08 | FY09 | FY10 | REC FY11 |
|--------------------------------------|--------------------|-------|-------|-------|-------|-------------|-------------|-------|-------|------|-------------|
| Police | | | | | | | | | | | |
| Increment | 2.5% | 3.05% | 3.05% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | | |
| General adjustment (COLA) | 3.6% | 3.9% | - | (b) | (c) | 3.5% (d) | 3.5% (f) | 5.0% | 5.0% | | |
| Lump-sum payment | - | - | (a) | - | - | - | - | - | - | | |
| Top of range adjustment | - | - | - | - | - | - | - | - | (i) | | |
| Firefighters | | | | | | | | | | | |
| Increment | Info Not Available | 3.05% | 3.05% | 3.05% | 3.05% | 3.05% | 3.05% | 3.05% | 3.05% | | |
| General adjustment (COLA) | | 3.8% | - | (b) | (c) | (e) | (g) | 6.0% | 6.0% | | |
| Lump-sum payment | | - | (a) | - | - | - | - | \$250 | \$250 | | |
| Top of range adjustment | | - | - | - | - | - | - | - | - | | |
| General Schedule | | | | | | | | | | | |
| Increment | 3.0% | 3.05% | 3.05% | 3.05% | 3.05% | 3.05% | 3.05% | 3.05% | 3.05% | | |
| General adjustment (COLA) | 3.6% | 3.8% | - | (b) | (c) | 3.5% (d) | 3.0% (f) | 3.0% | (j) | | |
| Lump-sum payment | - | - | (a) | - | - | - | - | - | - | | |
| Top of range adjustment | - | - | - | - | - | - | (h) | - | - | | |
| Others (Service/Labor/Trades) | | | | | | | | | | | |
| Increment | 2.5% | 2.5% | 3.05% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | | |
| General adjustment (COLA) | 3.6% | 3.8% | - | (b) | (c) | 3.5% (d) | 3.5% (f) | 3.0% | 3.0% | | |
| Lump-sum payment | - | - | (a) | - | - | - | - | - | - | | |
| Top of range adjustment | - | - | - | - | - | - | - | - | - | | |

- (a) Employees not eligible for step increases, or whose increases had a cash value of less than \$500, received a lump-sum payment of up to \$500.
- (b) 2% effective July, 2003 and 2% effective May, 2004.
- (c) 2% effective July, 2004 and 1% effective June, 2005.
- (d) Effective July, 2005.
- (e) 3% effective July, 2005 and 1% effective January, 2006.
- (f) Effective July, 2006.
- (g) 3% effective July, 2006, and 1% effective January, 2007.
- (h) 3 (2 year) steps added to top of range.
- (i) 3.25% longevity to be added on 7/1/08 for Sergeants & 1/1/09 for Police Union.
- (j) To be announced 4/22/08.

STATE OF MARYLAND
(Compensation subject to collective bargaining)

| | FY01 | FY02 | FY03 | FY04 | FY05 | FY06 | FY07 | FY08 | FY09 | FY10 | FY11 |
|---------------------------|---------|---------|------|------|-------|------|---------|------|------|------|------|
| All Employees | | | | | | | | | | | |
| Increment | Yes(a) | Yes(a) | - | (h) | Yes | Yes | Yes | Yes | Yes | (l) | (m) |
| General adjustment (COLA) | 4.0%(b) | 4.0%(e) | - | (h) | \$752 | 1.5% | 2.0%(i) | 2.0% | 2.0% | - | - |
| Lump-sum payment | Yes(c) | Yes(c) | (g) | (h) | - | - | Yes(j) | - | - | - | - |
| Top of range adjustment | Yes(d) | Yes(f) | - | (h) | - | - | Yes(k) | - | - | - | - |

- (a) Starting FY01, approximately 35,000 State employees are represented by a labor organization. Many of them are paid on the standard salary schedule. However, those employees not represented by a labor organization who are paid on the standard or a similar salary schedule receive the same increments as those who are represented by a labor organization. Some employees not subject to collective bargaining who are not paid on the standard or a similar salary schedule receive merit increases in addition to the general salary adjustment.
- (b) This 4% COLA increase was implemented on November 15, 2000.
- (c) In fiscal 2000, an estimated 15% of those eligible for performance bonuses received a lump-sum payment of \$1,000 for a rating of "outstanding;" approximately 34% were paid \$500 for a rating of "exceeds standards." In fiscal 2001, the corresponding rates were 16% and 36%.
- (d) A new executive pay plan (EPP) and an expanded standard salary schedule were proposed for FY01. The EPP provides three fewer salary grades and utilizes salary ranges with 29.2% bandwidths. Maximum salaries are roughly \$6,000 higher than they were at the top of the grade. The expanded standard salary schedule provides 4 additional salary grades, primarily to provide slots for managerial employees formerly improperly placed on the executive salary schedule.
- (e) This 4% COLA, or "general salary increase," was implemented on January 1, 2002.
- (f) In fiscal 2002, two steps were added to the top of the salary schedule, making a total of 18 steps, and the first grade of 26 grades became obsolete and is no longer used. The maximum pay on the executive pay plan, for each grade, is 8% higher in fiscal 2002 (on January 1, 2002) than it was a year previous (on January 1, 2001).
- (g) In FY03, lump-sum payments were to be awarded if the Board of Public Works determined that they were affordable. They were not determined to be affordable, as a result, there were no pay increases in FY03 although they were in the recommended budget.
- (h) No salary enhancements were budgeted in FY04. The only enhancement allowed - if agency budgets can accommodate - is a reclassification (promotion).
- (i) General salary increases will be \$900 for employees making a base salary of less than a \$45,000 per year on an annualized basis, \$1,400 for employees making a base salary more than \$70,000 per year on an annualized basis, and 2 percent for the rest of the workforce. Approximately 87 percent of the workforce will receive 2 percent or more.
- (j) Performance bonuses for Correctional Officer II, Sergeant, Lieutenant, Captain, and Major positions (\$500) in the Division of Correction and for nurses in the Department of Health and Mental Hygiene (\$3,000) are newly funded in fiscal 2007. These bonuses are awarded for fewer than 5 unscheduled absences over a 12-month period.
- (k) Two steps have been added to the top of the standard salary schedule and one step has been added to the physicians' salary schedule.
- (l) The Budget Reconciliation and Financing Act of 2009 (HB101/SB166) prohibited all State employees from receiving any performance bonuses, merit increments, or cost-of-living adjustments. A furlough was enacted in August 2009 reducing average employee salaries by 2.6%.
- (m) The Budget Reconciliation and Financing Act of 2010 (SB141/HB151) language again prohibits State employees from receiving performance bonuses, merit increments, or cost-of-living adjustments. The FY 2011 budget bill (SB140/HB 150) also includes a 10-day furlough modeled on the FY 2010 plan.

FEDERAL GOVERNMENT (a)
(Compensation not subject to collective bargaining)

| | FY01 | FY02 | FY03 | FY04 | FY05 | FY06 | FY07 | FY08 | FY09 | FY10 | FY11 | REC |
|-------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|-----|
| All Employees | | | | | | | | | | | | |
| Increment | 1.5%(d)(e) | 1.5%(d)(e) | 1.5%(d)(e) | 1.5%(d)(e) | 1.5%(d)(e) | 1.5%(d)(e) | 1.5%(d)(e) | 1.5%(d)(e) | 1.5%(d)(e) | 1.5%(d)(e) | 1.5%(d)(e) | |
| General adjustment (f) | 2.7% | 3.6% | 3.1% | 2.7% | 2.5% | 2.1% | 1.7% | 2.5% | 2.9% | 1.5% | (g) | |
| Lump-sum payment | - | - | - | - | - | - | - | - | - | - | - | |
| Top of range adjustment | Same | Same | Same | Same | Same | Same | Same | Same | Same | Same | Same | |
| Locality pay (b) | 3.81%(c) | 4.77%(c) | 4.27%(c) | 4.42%(c) | 3.71%(c) | 3.44%(c) | 2.64%(c) | 4.49%(c) | 4.78% | 2.42% | (g) | |

(a) For Federal employees in the Washington Baltimore locality pay area. Data reflect the Federal fiscal year.

(b) Locality pay instituted in FY94.

(c) This is the cumulative figure that includes both general adjustments and increases in locality pay.

(d) 1.5% is a rough estimate of the average annual value of General Schedule within grade and quality step increases as a percentage of payroll. The actual average can vary year to year. Some estimation methods indicate the multi-year average may be closer to 1.3%.

(e) Increments awarded annually for advancement to steps 2-4, awarded every 2 years for steps 5-7, and awarded every three years for steps 8-10. Eighteen years to advance from minimum step 1 to maximum step 10.

(f) The federal government uses a cost of labor standard to determine the general adjustment rather than a cost of living standard. This adjustment is not referred to as the COLA.

(g) The President's budget proposed a 1.4% overall average increase for Federal civilian employees. The overall increase will be allocated between an across-the-board increase and locality pay raises.

MONTGOMERY COUNTY, MD

Personnel Management Review

Merit System Employment Profile
Turnover Analysis
Wage and Salary Comparability

Montgomery County Government
Office of Human Resources
Classification and Compensation Team
101 Monroe Street, 8th floor
Rockville, MD 20850

April 2010



(A1)

WAGE & SALARY COMPARABILITY

PAY INCREASES - MONTGOMERY COUNTY GOVERNMENT EMPLOYEE NOT AT MAXIMUM SALARY ⁽¹⁾

**vs.
CONSUMER PRICE INDEX (CPI)**

| Year | MCG GWA ⁽²⁾ | MCG Service Increment ⁽³⁾ | Total MCG Pay Increase | CPI Change ⁽⁴⁾ | Difference MCG vs. CPI Change | Date of CPI Changes |
|---|---------------------------|---|---------------------------|------------------------------|-------------------------------------|------------------------|
| FY07-FY10 Compounded Change: | | | | | | |
| 2009 (FY10) | 0.00% | 3.50% | -- | 1.60% | -- | 11-08 - 11-09 |
| 2008 (FY09) | 4.50% | 3.50% | -- | 2.50% | -- | 11-07 - 11-08 |
| 2007 (FY08) | 4.00% | 3.50% | -- | 4.50% | -- | 11-06 - 11-07 |
| 2006 (FY07) ⁽⁵⁾ | 4.00% | 3.50% | -- | 3.10% | -- | 11-05 - 11-06 |
| FY03-FY06 Compounded Change: | | | | | | |
| 2005 (FY06) | 2.75% | 3.50% | -- | 3.70% | -- | 11-04 - 11-05 |
| 2004 (FY05) | 2.00% | 3.50% | -- | 3.60% | -- | 11-03 - 11-04 |
| 2003 (FY04) ⁽⁶⁾ | 2.90% | 3.50% | -- | 2.40% | -- | 11-02 - 11-03 |
| 2002 (FY03) | 3.50% | 3.50% | -- | 2.80% | -- | 11-01 - 11-02 |
| FY99-FY02 Compounded Change: | | | | | | |
| 2001 (FY02) | 3.25% | 3.50% | -- | 2.20% | -- | 11-00 - 11-01 |
| 2000 (FY01) | 3.00% | 3.50% | -- | 3.30% | -- | 11-99 - 11-00 |
| 1999 (FY00) | 2.60% | 3.50% | -- | 2.50% | -- | 11-98 - 11-99 |
| 1998 (FY99) | 2.00% | 3.50% | -- | 1.90% | -- | 11-97 - 11-98 |
| FY95-FY98 Compounded Change: | | | | | | |
| FY92-FY94 Compounded Change: ⁽⁷⁾ | | | 28.78% | 7.26% | 21.52% | |
| | | | 10.87% | 8.95% | 1.92% | |

(1) Excludes police and fire bargaining unit employees.

(2) MCG did not provide a GWA in FY10.

(3) Employees at the maximum of their assigned grade are not eligible for a service increment.

Approximately 37.1% of permanent employees are at maximum as of 12/1/09.

(4) CPI(u) change (FY88-97) for all Urban Consumers, Washington, D.C., area. CPI(u) change (FY98 to date) all urban Consumers, Washington/Baltimore area.

(5) GWAs of 3% effective 7/9/06 and 1% effective 1/7/07.

(6) Average of non-represented (2.0% effective 7/13/03) and MCGEO (3.75% effective 11/30/03) adjustments.

(7) For FY94 employees received a \$250 lump sum payment (not added to base salary) in August 1993.

(Note: This amount is not included in the reported data.)

PAY INCREASES - MONTGOMERY COUNTY GOVERNMENT EMPLOYEE AT MAXIMUM SALARY ⁽¹⁾

vs.

CONSUMER PRICE INDEX (CPI)

| Year | MCG GWA ⁽²⁾ | MCG Service Increment ⁽³⁾ | Total MCG Pay Increase | CPI Change ⁽⁴⁾ | Difference MCG vs. CPI Change | Date of CPI Changes |
|--|---------------------------|---|---------------------------|------------------------------|-------------------------------------|------------------------|
| FY07-FY10 Compounded Change: | | | 13.03% | 12.20% | 0.83% | |
| 2009 (FY10) | 0.00% | 0.00% | -- | 1.60% | -- | 11-08 - 11-09 |
| 2008 (FY09) | 4.50% | 0.00% | -- | 2.50% | -- | 11-07 - 11-08 |
| 2007 (FY08) | 4.00% | 0.00% | -- | 4.50% | -- | 11-06 - 11-07 |
| 2006 (FY07) ⁽⁵⁾ | 4.00% | 0.00% | -- | 3.10% | -- | 11-05 - 11-06 |
| FY03-FY06 Compounded Change: | | | 11.62% | 13.09% | -1.47% | |
| 2005 (FY06) | 2.75% | 0.00% | -- | 3.70% | -- | 11-04 - 11-05 |
| 2004 (FY05) | 2.00% | 0.00% | -- | 3.60% | -- | 11-03 - 11-04 |
| 2003 (FY04) ⁽⁶⁾ | 2.90% | 0.00% | -- | 2.40% | -- | 11-02 - 11-03 |
| 2002 (FY03) | 3.50% | 0.00% | -- | 2.80% | -- | 11-01 - 11-02 |
| FY99-FY02 Compounded Change: | | | 11.29% | 10.27% | 1.03% | |
| 2001 (FY02) | 3.25% | 0.00% | -- | 2.20% | -- | 11-00 - 11-01 |
| 2000 (FY01) | 3.00% | 0.00% | -- | 3.30% | -- | 11-99 - 11-00 |
| 1999 (FY00) | 2.60% | 0.00% | -- | 2.50% | -- | 11-98 - 11-99 |
| 1998 (FY99) | 2.00% | 0.00% | -- | 1.90% | -- | 11-97 - 11-98 |
| FY95-FY98 Compounded Change: | | | 12.22% | 7.26% | 4.96% | |
| FY92-FY94 Compounded Change: ⁽⁷⁾ | | | 0.00% | 8.95% | -8.95% | |

(1) Excludes police and fire bargaining unit employees.

(2) MCG did not provide a GWA in FY10

(3) Employees at the maximum of their assigned grade are not eligible for a service increment.

Approximately 37.1% of permanent employees are at maximum as of 12/1/09

(4) CPI(u) change (FY88-97) for all Urban Consumers, Washington, D.C., area. CPI(u) change (FY98 to date) all urban Consumers, Washington/Baltimore area.

(5) GWAs of 3% effective 7/9/06 and 1% effective 1/7/07

(6) Average of non-represented (2.0% effective 7/13/03) and MCGEO (3.75% effective 11/30/03) adjustments.

(7) For FY94 employees received a \$250 lump sum payment (not added to base salary) in August 1993.

(Note: This amount is not included in the reported data.)

PAY INCREASES - MONTGOMERY COUNTY GOVERNMENT EMPLOYEE NOT AT MAXIMUM SALARY ⁽¹⁾

vs.

PRIVATE SECTOR

| Year | MCG GWA ⁽²⁾ | MCG Service Increment ⁽³⁾ | Total MCG Pay Increase | Private Sector Pay Increase ⁽⁴⁾ | Difference MCG vs. Private Sector |
|---|---------------------------|---|---------------------------|---|---|
| FY07-FY10 Compounded Change: | | | | | |
| 2009 (FY10) | 0.00% | 3.50% | -- | 2.20% | -- |
| 2008 (FY09) | 4.50% | 3.50% | -- | 3.90% | -- |
| 2007 (FY08) | 4.00% | 3.50% | -- | 3.80% | -- |
| 2006 (FY07) ⁽⁵⁾ | 4.00% | 3.50% | -- | 3.63% | -- |
| FY03-FY06 Compounded Change: | | | | | |
| 2005 (FY06) | 2.75% | 3.50% | -- | 3.65% | -- |
| 2004 (FY05) | 2.00% | 3.50% | -- | 3.45% | -- |
| 2003 (FY04) ⁽⁶⁾ | 2.90% | 3.50% | -- | 3.40% | -- |
| 2002 (FY03) | 3.50% | 3.50% | -- | 3.75% | -- |
| FY99-FY02 Compounded Change: | | | | | |
| 2001 (FY02) | 3.25% | 3.50% | 27.71% | 18.80% | 8.92% |
| 2000 (FY01) | 3.00% | 3.50% | -- | 4.55% | -- |
| 1999 (FY00) | 2.60% | 3.50% | -- | 4.45% | -- |
| 1998 (FY99) | 2.00% | 3.50% | -- | 4.35% | -- |
| FY95-FY98 Compounded Change: | | | | | |
| FY92-FY94 Compounded Change: ⁽⁷⁾ | | | 28.78% | 17.10% | 11.68% |
| | | | 10.87% | 14.50% | -3.63% |

(1) Excludes police and fire bargaining unit employees.

(2) MCG did not provide a GWA in FY10.

(3) Employees at the maximum of their assigned grade are not eligible for a service increment.

Approximately 37.1% of permanent employees are at maximum as of 12/1/09.

(4) Source: World At Work Salary Budget Survey. Pay Increase is average for non-exempt and exempt employees in Eastern Region and includes cost-of-living adjustments, general wage increases, and merit raises.

(5) GWAs of 3% effective 7/9/06 and 1% effective 1/7/07.

(6) Average of non-represented (2.0% effective 7/13/03) and MCGEO (3.75% effective 1/30/03) adjustments.

(7) For FY94 employees received a \$250 lump sum payment (not added to base salary) in August 1993.

(Note: This amount is not included in the reported data.)

PAY INCREASES - MONTGOMERY COUNTY GOVERNMENT EMPLOYEE AT MAXIMUM SALARY (1)

vs.

PRIVATE SECTOR

| Year | MCG GWA (2) | MCG Service Increment (3) | Total MCG Pay Increase | Private Sector Pay Increase (4) | Difference MCG vs. Private Sector |
|-------------------------------------|----------------|------------------------------|---------------------------|------------------------------------|---|
| FY07-FY10 Compounded Change: | | | 13.03% | 14.22% | -1.19% |
| 2009 (FY10) | 0.00% | 0.00% | -- | 2.20% | -- |
| 2008 (FY09) | 4.50% | 0.00% | -- | 3.90% | -- |
| 2007 (FY08) | 4.00% | 0.00% | -- | 3.80% | -- |
| 2006 (FY07) (5) | 4.00% | 0.00% | -- | 3.63% | -- |
| FY03-FY06 Compounded Change: | | | 11.62% | 15.03% | -3.41% |
| 2005 (FY06) | 2.75% | 0.00% | -- | 3.65% | -- |
| 2004 (FY05) | 2.00% | 0.00% | -- | 3.45% | -- |
| 2003 (FY04) (6) | 2.90% | 0.00% | -- | 3.40% | -- |
| 2002 (FY03) | 3.50% | 0.00% | -- | 3.75% | -- |
| FY99-FY02 Compounded Change: | | | 11.29% | 18.80% | -7.50% |
| 2001 (FY02) | 3.25% | 0.00% | -- | 4.55% | -- |
| 2000 (FY01) | 3.00% | 0.00% | -- | 4.45% | -- |
| 1999 (FY00) | 2.60% | 0.00% | -- | 4.35% | -- |
| 1998 (FY99) | 2.00% | 0.00% | -- | 4.25% | -- |
| 1994 (FY95) | 3.00% | 0.00% | -- | 4.00% | -- |
| 1990 (FY91) | | | | | |

(1) Excludes police and fire bargaining unit employees.

(2) MCG did not provide a GWA in FY10.

(3) Employees at the maximum of their assigned grade are not eligible for a service increment.

Approximately 37.1% of permanent employees are at maximum as of 12/1/09.

(4) Source: World At Work Salary Budget Survey. Pay Increase is average for non-exempt and exempt employees in Eastern Region and includes cost-of-living adjustments, general wage increases, and merit raises.

(5) GWAs of 3% effective 7/9/06 and 1% effective 1/7/07.

(6) Average of non-represented (2.0% effective 7/13/03) and MCGEO (3.75% effective 11/30/03) adjustments.

(7) For FY94 employees received a \$250 lump sum payment (not added to base salary) in August 1993.

(Note: This amount is not included in the reported data.)

ELIGIBILITY OF PERMANENT EMPLOYEES FOR SERVICE INCREMENT
(If at Maximum Salary, NOT Eligible; If Not at Maximum Salary, Eligible)

| <u>Bargaining Unit</u> | | <u>At Maximum</u> | <u>Not at Maximum</u> | <u>TOTAL</u> |
|---|---------|-----------------------|---------------------------|--------------|
| Police Bargaining Unit (FOP) | Number | 491 | 655 | 1146 |
| | Percent | 42.8% | 57.2% | 100% |
| Fire Bargaining Unit (IAFF) | Number | 444 | 660 | 1104 |
| | Percent | 40.2% | 59.8% | 100% |
| MCGEO, UFCW Local 1994 (2) | Number | 1584 | 3449 | 5033 |
| | Percent | 31.5% | 68.5% | 100% |
| Eligible at Permanent Status (Local 1994 and IAFF) | Number | 3 | 127 | 130 |
| | Percent | 2.3% | 97.7% | 100% |
| <hr/> | | | | |
| Total Represented | | 2522 | 4891 | 7413 |
| | | 34.0% | 66.0% | 100% |
| <hr/> | | | | |
| Total Unrepresented (1) | | 840 | 819 | 1659 |
| | | 50.6% | 49.4% | 100% |
| <hr/> | | | | |
| ALL EMPLOYEES | | 3362 | 5710 | 9072 |
| | | 37.1% | 62.9% | 100% |

(1) Includes employees in the Management Leadership Service who are not eligible to receive service increments, but may receive performance based pay.

(2) Data extrapolated from page 1-9 of this report

**COMPARISON OF SALARIES FOR MIDDLE MANAGEMENT AND PROFESSIONAL POSITIONS
FEDERAL GOVERNMENT VS. MONTGOMERY COUNTY GOVERNMENT**

| FEDERAL GOVERNMENT ⁽¹⁾ | | MONTGOMERY COUNTY GOVERNMENT ⁽²⁾ | | | | | |
|-----------------------------------|-----------|---|-----------|-------------------|----------|------------------------|-----------------------|
| Effective January 2010 | | Effective January 2010 | | | | | |
| Federal Grade | Minimum | Maximum | MCG Grade | Permanent FT Emp. | Minimum | Maximum ⁽²⁾ | % Diff. At Min At Max |
| GS-11 | \$62,467 | \$81,204 | 21 | 383 | \$47,028 | \$77,756 | -32.8% -4.4% |
| GS-12 | \$74,872 | \$97,333 | 23 | 523 | \$51,598 | \$85,463 | -45.1% -13.9% |
| | | | 24 | 366 | \$54,054 | \$89,596 | -38.5% -8.6% |
| | | | 25 | 391 | \$56,631 | \$93,944 | -32.2% -3.6% |
| GS-13 | \$89,033 | \$115,742 | 24 | 366 | \$54,054 | \$89,596 | -64.7% -29.2% |
| | | | 25 | 391 | \$56,631 | \$93,944 | -57.2% -23.2% |
| | | | 26 | 109 | \$59,345 | \$98,513 | -50.0% -17.5% |
| | | | 27 | 75 | \$62,168 | \$103,309 | -43.2% -12.0% |
| | | | M3 | 254 | \$63,411 | \$115,901 | -40.4% 0.1% |
| GS-14 | \$105,211 | \$136,771 | 28 | 126 | \$64,960 | \$108,343 | -62.0% -26.2% |
| | | | 29 | 8 | \$67,890 | \$113,628 | -55.0% -20.4% |
| | | | 31 | 2 | \$74,206 | \$125,010 | -41.8% -9.4% |
| | | | M2 | 102 | \$73,811 | \$133,992 | -42.5% -2.1% |
| GS-15 | \$123,758 | \$155,500 | M2 | 102 | \$73,811 | \$133,992 | -67.7% -16.1% |
| | | | M1 | 23 | \$84,407 | \$149,917 | -46.6% -3.7% |

(1) Locality Pay for Washington-Baltimore-Northern Virginia, DC-MD-VA-WV-PA
Source: <http://www.opm.gov/oca/10tables/html/dcb.asp>

(2) Salary maximums listed for Montgomery County Government do not include the longevity maximum. Additionally, in FY2010 Montgomery County Employees did not receive a GWA. As such the minimum and maximums have not changed from the 2009 report.

3-7

(A37)

© 2009 HRA Compensation Survey Report Includes data on 337 survey jobs from 324 participating employers in the Washington-Baltimore Consolidated

Metropolitan Statistical Area. The survey provides useful data on current salaries in the area but is not a reliable measure of salary changes

over time, as survey participants, jobs, and job matches change from year to year. metropolitan Statistical Area. The survey provides useful data on current salaries

over time, as survey participants, jobs, and job matches change from year to year.

Percent difference between MCG salary and HRA average salary was calculated by dividing dollar difference by HRA salary.

**FY '10 MINIMUM SALARY COMPARISONS
SELECTED LOCAL JURISDICTIONS - SELECTED CLASSES
(IN THOUSANDS)**

| MCG Title | MONT CO GOVT GRADE | ALEX CITY GOVT | ANNE AR CO GOVT | ARL CO GOVT | BALT CITY GOVT | BALT CO GOVT | FAIR CO GOVT | D CO GOVT | HOWAR D CO GOVT | MNCPPC GOVT | PG CO GOVT | WSSC GOVT | MONT CO GOVT | MONT CO GOVT | MCG Vs MEDIAN | % DIFF FROM MEDIAN TO MCG |
|---|-----------------------------|----------------------|-----------------------|----------------|----------------------|-----------------|-----------------|--------------|-----------------------|----------------|---------------|--------------|--------------------|--------------------|------------------|---------------------------------|
| | | | | | | | | | | | | | | | | |
| ACCOUNTANT/AUDITOR III | 23 | 49.1 | 43.1 | 46.6 | 40.0 | 44.7 | 51.1 | 49.7 | 49.7 | 47.5 | 43.1 | 46.5 | 46.6 | 51.6 | 9.7% | 10.8% |
| BUILDING SERVICE WORKER II | 8 | 27.9 | 23.9 | 26.5 | 29.7 | 24.8 | 23.3 | 36.5 | 36.5 | 26.5 | 21.6 | 24.9 | 24.8 | 39.2 | 11.9% | 13.5% |
| CARPENTER I | 17 | 49.1 | 43.6 | 53.6 | 55.7 | 48.9 | 48.6 | 49.7 | 49.7 | 37.1 | 42.8 | 38.6 | 34.5 | 51.6 | 5.9% | 5.9% |
| COMMUNITY HEALTH NURSE II | 23 | 55.7 | 43.6 | 43.7 | 43.7 | 44.7 | 52.1 | 49.7 | 49.7 | 38.5 | 38.5 | 40.4 | 43.6 | 40.5 | -7.1% | -7.1% |
| CORRECTIONAL SHIFT COMMANDER - LT | C1 | 50.5 | 38.1 | 27.6 | 27.4 | 26.9 | 0.0 | 37.1 | 37.1 | 29.9 | 29.2 | 27.5 | 29.4 | 46.8 | 13.8% | 16.0% |
| CORRECTIONAL OFFICER I | C3 | 27.9 | 53.8 | 30.9 | 32.3 | 38.8 | 36.8 | 41.3 | 41.3 | 37.1 | 29.0 | 38.5 | 37.0 | 41.0 | 9.7% | 10.7% |
| CORRECTIONAL OFFICER III | C5 | 51.5 | 33.4 | 34.0 | 39.5 | 46.7 | 58.8 | 61.0 | 61.0 | 53.8 | 55.1 | 49.7 | 52.6 | 56.6 | 7.1% | 7.6% |
| DATA ENTRY OPERATOR | 10 | 33.4 | 29.1 | 34.0 | 39.5 | 38.9 | 38.5 | 36.5 | 36.5 | 33.1 | 26.3 | 38.5 | 38.5 | 41.0 | 6.0% | 6.4% |
| ELECTRICIAN I | 18 | 33.4 | 33.8 | 30.9 | 33.4 | 33.9 | 36.8 | 30.8 | 30.8 | 37.1 | 29.0 | 30.8 | 33.6 | 37.5 | 10.3% | 11.5% |
| ENGINEER III | 25 | 55.7 | 48.4 | 54.8 | 50.3 | 51.7 | 58.9 | 63.6 | 63.6 | 49.9 | 45.3 | 49.9 | 55.5 | 55.5 | 3.9% | 4.1% |
| ENGINEER TECHNICIAN II | 18 | 43.6 | 36.1 | 44.6 | 33.5 | 33.4 | 40.1 | 40.1 | 40.1 | 40.8 | 40.8 | 40.8 | 40.1 | 41.6 | 3.5% | 3.7% |
| EQUIPMENT OPERATOR I | 14 | 45.8 | 36.1 | 44.6 | 33.0 | 42.0 | 48.9 | 46.4 | 46.4 | 47.5 | 43.1 | 40.8 | 43.7 | 45.9 | 4.7% | 4.9% |
| EQUIPMENT OPERATOR III | 16 | 42.4 | 39.2 | 43.4 | 36.7 | 38.9 | 44.3 | 40.5 | 40.5 | 47.5 | 43.1 | 40.8 | 40.5 | 49.3 | 17.8% | 21.7% |
| FIRE/RESCUER LIEUTENANT | B1 | 49.1 | 49.9 | 39.7 | 46.7 | 44.7 | 51.1 | 55.1 | 55.1 | 47.5 | 43.1 | 49.7 | 48.3 | 56.6 | 14.7% | 17.3% |
| FIRE/RESCUER I | F1 | 39.6 | 42.8 | 42.8 | 32.3 | 38.8 | 40.3 | 41.3 | 41.3 | 56.5 | 59.3 | 49.5 | 49.3 | 39.2 | -25.8% | -20.5% |
| FIRE/RESCUER II | F3 | 49.1 | 49.9 | 48.3 | 45.1 | 51.1 | 51.1 | 55.1 | 55.1 | 49.9 | 45.3 | 49.9 | 49.3 | 59.3 | 15.9% | 18.9% |
| HIGHWAY CONSTRUCTION INSPECTOR II | 22 | 54.1 | 49.9 | 48.3 | 45.1 | 51.1 | 51.1 | 55.1 | 55.1 | 49.9 | 45.3 | 49.9 | 49.3 | 59.3 | 18.2% | 22.2% |
| HUMAN RESOURCES SPECIALIST III | 18 | 40.4 | 62.4 | 43.4 | 41.4 | 30.9 | 42.3 | 49.7 | 49.7 | 41.9 | 43.1 | 53.1 | 41.7 | 47.0 | 11.4% | 12.8% |
| HVAC MECHANIC I | 26 | 49.1 | 33.8 | 35.7 | 34.5 | 37.1 | 36.8 | 41.3 | 41.3 | 37.1 | 33.5 | 38.6 | 36.9 | 41.0 | 8.0% | 8.7% |
| IT SPECIALIST III (LGPA Title: Autm Sysms Spcl) | 26 | 28.1 | 23.6 | 26.5 | 25.8 | 24.7 | 25.5 | 24.3 | 24.3 | 26.6 | 22.9 | 22.6 | 25.1 | 24.2 | -3.5% | -3.4% |
| IT SPECIALIST III (LGPA Title: Prog Anal - Jmy Lvl) | 26 | 38.4 | 39.2 | 43.4 | 33.9 | 40.3 | 42.3 | 40.5 | 40.5 | 47.5 | 42.8 | 47.5 | 47.5 | 51.6 | 22.8% | 29.6% |
| IT TECHNICIAN II | 16 | 43.6 | 41.6 | 45.3 | 41.1 | 45.3 | 47.1 | 45.9 | 45.9 | 47.5 | 42.8 | 47.5 | 47.5 | 51.6 | 7.9% | 8.5% |
| LIBRARIAN I | 21 | 55.7 | 57.0 | 55.7 | 60.4 | 57.5 | 56.9 | 64.7 | 64.7 | 47.9 | 46.8 | 45.8 | 45.8 | 47.0 | 2.5% | 2.6% |
| MANAGEMENT & BUDGET SPECIALIST III | 25 | 38.4 | 33.8 | 40.3 | 36.7 | 35.3 | 45.4 | 37.7 | 37.7 | 55.4 | 72.7 | 56.9 | 59.8 | 59.8 | 4.8% | 5.0% |
| MECHANIC TECHNICIAN II | 18 | 26.5 | 25.9 | 24.9 | 25.8 | 29.3 | 30.6 | 26.8 | 26.8 | 37.1 | 39.1 | 37.7 | 37.7 | 42.9 | 12.2% | 13.8% |
| OFFICE CLERK | 5 | 34.9 | 46.4 | 34.0 | 34.0 | 32.2 | 33.6 | 33.6 | 33.6 | 37.1 | 32.2 | 29.1 | 26.5 | 33.1 | 19.8% | 24.8% |
| PERMITTING SERVICES INSPECTOR III | 23 | 46.7 | 46.4 | 49.8 | 43.2 | 44.7 | 51.1 | 44.8 | 44.8 | 53.8 | 34.6 | 46.5 | 46.5 | 49.3 | 6.0% | 6.3% |
| PLANNING SPECIALIST III | 23 | 28.0 | 25.1 | 26.5 | 27.1 | 24.8 | 26.6 | 26.5 | 26.5 | 26.5 | 22.7 | 26.5 | 26.5 | 28.2 | 5.7% | 6.0% |
| POLICE OFFICER I | P2 | 48.0 | 48.0 | 40.3 | 41.4 | 44.7 | 44.3 | 40.5 | 40.5 | 47.5 | 42.8 | 42.8 | 43.6 | 47.0 | 7.4% | 8.0% |
| POLICE SERGEANT | A1 | 51.5 | 48.0 | 46.6 | 45.1 | 48.9 | 48.6 | 49.7 | 49.7 | 47.5 | 42.8 | 42.8 | 48.6 | 51.6 | 5.3% | 6.1% |
| PUBLIC SAFETY COMMUNICATION SPECIALIST III | 19 | 42.4 | 46.6 | 46.6 | 45.1 | 48.9 | 48.6 | 49.7 | 49.7 | 47.5 | 42.8 | 42.8 | 47.6 | 54.1 | 11.9% | 13.6% |
| PRINCIPAL ADMINISTRATIVE AIDE | 13 | 26.5 | 25.9 | 24.9 | 25.8 | 29.3 | 30.6 | 26.8 | 26.8 | 37.1 | 32.2 | 29.1 | 26.5 | 33.1 | 19.8% | 24.8% |
| PRINTING TECHNICIAN II | 15 | 34.9 | 46.4 | 34.0 | 34.0 | 32.2 | 33.6 | 33.6 | 33.6 | 37.1 | 32.2 | 29.1 | 26.5 | 33.1 | 19.8% | 24.8% |
| PROCUREMENT SPECIALIST II | 22 | 46.7 | 46.4 | 49.8 | 43.2 | 44.7 | 51.1 | 44.8 | 44.8 | 53.8 | 34.6 | 46.5 | 46.5 | 49.3 | 6.0% | 6.3% |
| PUBLIC SERVICE WORKER II | 9 | 28.0 | 25.1 | 26.5 | 27.1 | 24.8 | 26.6 | 26.5 | 26.5 | 26.5 | 22.7 | 26.5 | 26.5 | 28.2 | 5.7% | 6.0% |
| RECREATION SPECIALIST | 21 | 48.0 | 48.0 | 40.3 | 41.4 | 44.7 | 44.3 | 40.5 | 40.5 | 47.5 | 42.8 | 42.8 | 43.6 | 47.0 | 7.4% | 8.0% |
| SOCIAL WORKER II | 23 | 51.5 | 48.0 | 46.6 | 45.1 | 48.9 | 48.6 | 49.7 | 49.7 | 47.5 | 42.8 | 42.8 | 48.6 | 51.6 | 5.3% | 6.1% |
| THERAPIST II | 24 | 42.4 | 46.6 | 46.6 | 45.1 | 48.9 | 48.6 | 49.7 | 49.7 | 47.5 | 42.8 | 42.8 | 47.6 | 54.1 | 11.9% | 13.6% |

NOTES:

- o Salary data from local sources, including FY2010 Local Government Personnel Association Salary Survey. Survey includes data from 31 public sector organizations in the national capital area. 38 of 96 non-school jobs have been matched.
- o Median salary does not include Montgomery County (MCG).
- o The percent difference between MCG Vs Median is calculated by dividing dollar difference between MCG salary and median by the MCG salary.
- o Fiscal Assistant job title not surveyed this year
- o MNCPPC = Maryland-National Capital Park & Planning Commission
- MCG = Montgomery County Government
- WSSC = Washington Suburban Sanitary Commission

**FY '10 MAXIMUM SALARY COMPARISONS
SELECTED LOCAL JURISDICTIONS - SELECTED CLASSES
(IN THOUSANDS)**

| MCG Title | MONT CO GOVT GRADE | ALEX CITY GOVT | ANNE AR CO GOVT | ARL CO GOVT | BALT CITY GOVT | BALT CO GOVT | FAIR CO GOVT | HOWAR D CO GOVT | MNCPPC GOVT | PGCO GOVT | WSSC MEDIAN | MONT CO GOVT (MCG) | MCG Vs MEDIAN TO MCG | % DIFF FROM MEDIAN |
|---|-----------------------------|----------------------|-----------------------|----------------|----------------------|-----------------|-----------------|-----------------------|----------------|--------------|----------------|--------------------------|----------------------------|--------------------------|
| ACCOUNTANT/AUDITOR III | 23 | 81.2 | 68.0 | 77.0 | 48.9 | 55.7 | 85.1 | 80.2 | 81.3 | 83.9 | 78.7 | 79.4 | 85.5 | 7.0% |
| BUILDING SERVICE WORKER II | 8 | 36.7 | 34.1 | 36.7 | 29.7 | 29.7 | 38.8 | | 47.7 | 40.4 | 42.8 | 37.7 | 42.5 | 11.3% |
| CARPENTER I | 17 | | | 51.0 | 32.7 | 42.5 | 58.5 | 54.2 | 63.5 | 53.5 | 65.5 | 53.9 | 64.4 | 16.4% |
| COMMUNITY HEALTH NURSE II | 23 | 81.2 | 81.7 | 71.7 | 63.5 | 61.0 | 81.0 | | 78.4 | 77.9 | 75.0 | 75.0 | 85.5 | 12.2% |
| CORRECTIONAL SHIFT COMMANDER - LT | C1 | 92.1 | | 88.6 | | 55.7 | 77.0 | | | 87.3 | | 77.9 | 83.8 | 7.0% |
| CORRECTIONAL OFFICER I | C3 | 72.2 | 62.9 | 72.2 | | | | | | 67.3 | | 72.2 | 59.2 | -21.9% |
| CORRECTIONAL OFFICER III | C5 | 72.2 | | 76.6 | | | | | | 70.7 | | 70.0 | 70.8 | 1.1% |
| DATA ENTRY OPERATOR | 10 | 43.9 | | 45.7 | 31.6 | 33.7 | 70.0 | 58.0 | 51.2 | 58.6 | | 43.9 | 46.6 | 5.7% |
| ELECTRICIAN I | 18 | | | 51.0 | 36.1 | 49.2 | 61.4 | 39.1 | 63.5 | 53.5 | 65.4 | 57.5 | 67.5 | 14.9% |
| ENGINEER III | 25 | 85.2 | 89.3 | 77.0 | 56.5 | 58.0 | 98.0 | 98.4 | 92.3 | 107.1 | 84.0 | 87.2 | 93.9 | 7.1% |
| EQUIPMENT OPERATOR I | 18 | 55.2 | | 56.1 | 48.3 | 48.9 | 64.2 | 59.0 | 71.8 | 67.9 | 65.4 | 59.0 | 67.5 | 12.7% |
| EQUIPMENT OPERATOR III | 14 | 46.0 | 41.5 | 41.2 | 30.7 | 35.4 | 53.4 | 43.4 | 56.6 | 48.7 | 43.4 | 43.4 | 56.0 | 22.5% |
| FIRE/RESCUER LIEUTENANT | 16 | 55.2 | 48.1 | 51.0 | 37.5 | 42.5 | 61.4 | 50.3 | 63.5 | 53.5 | 52.6 | 51.8 | 61.5 | 15.7% |
| FIRE/RESCUER I | B1 | 92.1 | 95.6 | 90.6 | 61.3 | 70.0 | 87.0 | 93.9 | 98.5 | 98.5 | | 91.4 | 89.9 | -1.7% |
| FIRE/RESCUER/RESCUER I | F1 | 72.2 | 74.8 | 73.8 | 53.5 | 45.6 | 72.2 | 75.8 | 71.0 | 71.0 | | 71.0 | 67.4 | -5.5% |
| FIRE/RESCUER/RESCUER III | F3 | 75.8 | | 73.8 | 53.5 | 56.3 | 72.2 | 75.8 | 78.9 | 78.9 | | 74.3 | 74.3 | 0.0% |
| HIGHWAY CONSTRUCTION INSPECTOR II | 22 | 70.1 | 55.8 | 71.7 | 44.3 | 48.9 | 73.9 | 65.4 | 67.9 | 67.9 | 69.2 | 67.9 | 81.5 | 16.7% |
| HUMAN RESOURCES SPECIALIST III | 25 | 81.2 | 82.9 | 92.1 | 56.5 | 55.7 | 85.1 | 88.8 | 81.3 | 83.9 | 89.6 | 83.4 | 93.9 | 11.2% |
| HVAC MECHANIC I | 18 | 60.5 | | 70.7 | 36.1 | 49.2 | 67.2 | 61.4 | 63.5 | 53.5 | 65.4 | 61.4 | 64.6 | 5.0% |
| IT SPECIALIST III (LGPA Title: Autm Sysms Spcl) | 26 | 81.2 | 82.9 | 88.6 | 52.2 | 55.7 | 72.4 | 88.8 | 93.6 | 98.5 | 90.4 | 84.9 | 64.6 | -31.4% |
| IT SPECIALIST III (LGPA Title: Prog Anal - Jrny Lv) | 26 | 89.5 | | 79.9 | 54.9 | 64.1 | | | 85.4 | 91.0 | | 84.2 | 98.5 | 14.6% |
| IT TECHNICIAN II | 16 | | | 0.0 | 37.7 | 38.9 | | | 56.8 | 56.8 | | 38.3 | 61.5 | 37.7% |
| LIBRARIAN I | 21 | 66.8 | | 71.7 | 50.4 | 48.0 | 70.4 | | 71.8 | | | 68.6 | 77.8 | 11.8% |
| MANAGEMENT & BUDGET SPECIALIST III | 25 | 81.2 | 103.5 | 92.1 | 68.5 | 105.6 | 85.1 | 80.2 | 92.3 | 83.9 | 89.6 | 87.4 | 93.9 | 7.0% |
| MECHANIC TECHNICIAN II | 18 | 63.6 | 48.1 | 58.9 | 38.0 | 46.9 | 61.4 | 61.4 | 63.5 | 61.7 | 65.5 | 61.4 | 67.5 | 9.1% |
| OFFICE CLERK | 5 | 40.1 | 35.0 | 36.7 | 29.3 | 30.6 | 42.5 | 39.1 | 47.9 | 44.5 | 39.0 | 39.1 | 37.4 | -4.3% |
| PERMITTING SERVICES INSPECTOR III | 23 | 63.6 | 55.8 | 71.7 | 40.8 | 51.1 | 70.4 | 65.4 | 0.0 | 67.9 | | 63.6 | 85.5 | 25.6% |
| PLANNING SPECIALIST III | 23 | 81.2 | 82.9 | 77.0 | 56.5 | 55.7 | 85.1 | 80.2 | 81.3 | 78.4 | | 80.2 | 85.5 | 6.2% |
| POLICE OFFICER I | P2 | 72.2 | 79.4 | 74.9 | 59.8 | 59.8 | 69.6 | 69.4 | 74.8 | 64.5 | | 70.9 | 76.0 | 6.8% |
| POLICE SERGEANT | A1 | 92.1 | 95.6 | 92.1 | 79.5 | 76.4 | 84.0 | 85.2 | 93.2 | 94.9 | 69.2 | 86.6 | 96.8 | 8.5% |
| PUBLIC SAFETY COMMUNICATION SPECIALIST III | 19 | 63.6 | 48.1 | 66.6 | 44.3 | 44.7 | 67.0 | 62.9 | 63.5 | 78.6 | | 63.5 | 70.8 | 10.2% |
| PRINCIPAL ADMINISTRATIVE AIDE | 13 | 43.9 | 38.6 | 41.2 | 29.3 | 37.0 | 51.0 | 43.4 | 56.6 | 47.9 | | 43.4 | 53.5 | 18.9% |
| PRINTING TECHNICIAN II | 15 | 57.8 | 0.0 | 56.1 | 46.3 | 40.8 | 56.0 | | 63.5 | 62.6 | 49.7 | 56.0 | 56.7 | 4.6% |
| PROCUREMENT SPECIALIST II | 22 | 77.3 | 77.0 | 82.4 | 52.6 | 55.7 | 85.1 | 72.4 | 92.3 | 67.4 | 78.7 | 77.1 | 81.5 | 5.4% |
| PUBLIC SERVICE WORKER II | 9 | 42.0 | 35.8 | 36.7 | 28.1 | 29.7 | 44.4 | 37.4 | 47.7 | 42.3 | | 37.4 | 44.5 | 15.8% |
| RECREATION SPECIALIST | 21 | | 77.3 | 66.6 | 50.4 | 55.7 | 73.9 | 65.4 | 81.3 | 78.4 | | 70.2 | 77.8 | 9.7% |
| SOCIAL WORKER II | 23 | 85.2 | | 77.0 | 54.9 | 61.0 | 81.0 | 80.2 | | 78.4 | | 78.4 | 85.5 | 8.3% |
| THERAPIST II | 24 | 70.1 | | 77.0 | | | 81.0 | | | 90.4 | | 79.0 | 89.6 | 11.8% |

NOTES:

- Salary data from local sources, including FY 2010 Local Government Personnel Association Salary Survey. Survey includes data from 31 public sector organizations in the national capital area. 38 of 96 non-school jobs have been matched.
- Median salary does not include Montgomery County (MCG).
- The percent difference between MCG Vs Median is calculated by dividing dollar difference between MCG salary and median by the MCG salary.
- Fiscal Assistant job title not surveyed this year
- MNCPPC = Maryland-National Capital Park & Planning Commission
- MCG = Montgomery County Government
- WSSC = Washington Suburban Sanitary Commission

**PERCENT DIFFERENCE FROM MEDIAN SALARY
FY '10 MINIMUM SALARY COMPARISONS
SELECTED LOCAL JURISDICTIONS - SELECTED CLASSES**

| MCG Title | MONT CO GOVT GRADE | MONT CO GOVT GRADE | ALEX CITY GOVT | ANNE AR CO GOVT | ARL CO GOVT | BALT CITY GOVT | BALT CO GOVT | FAIR CO GOVT | HOWAR D CO GOVT | MNCPP C | MONT CO GOVT | PG CO GOVT | WSSC |
|--|-----------------------------|-----------------------------|----------------------|-----------------------|----------------|----------------------|--------------------|-----------------|-----------------------|------------|--------------------|---------------|------|
| ACCOUNTANT/AUDITOR III | 23 | 46.6 | 5% | -8% | | -14% | | 10% | 7% | | 11% | -7% | |
| BUILDING SERVICE WORKER II | 8 | 24.9 | 12% | | | -16% | | -7% | | | 9% | -13% | |
| CARPENTER I | 17 | 35.1 | | | | | | | | | 11% | -18% | 10% |
| COMMUNITY HEALTH NURSE II | 23 | 48.9 | | | | 14% | | | | | 6% | -12% | |
| CORRECTIONAL SHIFT COMMANDER - LT | C1 | 50.7 | 10% | -14% | | | -12% | | | | | -9% | |
| CORRECTIONAL OFFICER I | C3 | 42.1 | | | | | | | | | | -7% | |
| CORRECTIONAL OFFICER III | C5 | 43.3 | 17% | -12% | | | -10% | | | | 8% | 6% | |
| DATA ENTRY OPERATOR | 10 | 27.6 | | | | | | | | | 10% | -22% | |
| ELECTRICIAN I | 18 | 37.1 | | | | -13% | | | | | 6% | | |
| ENGINEER III | 25 | 53.8 | | | | -13% | | | | | 5% | | |
| ENGINEER TECHNICIAN II | 18 | 38.5 | -13% | 0% | | | -13% | | | | 6% | | |
| EQUIPMENT OPERATOR I | 14 | 28.8 | | | | -8% | | | | | 10% | | |
| EQUIPMENT OPERATOR III | 16 | 33.8 | | | | -9% | | | | | 6% | | |
| FIRE/RESCUER LIEUTENANT | B1 | 54.8 | | | | | | | | | 11% | | |
| FIREFIGHTER/RESCUER I | F1 | 40.5 | 8% | -12% | | -8% | -6% | | | | 20% | -9% | |
| FIREFIGHTER/RESCUER III | F3 | 44.6 | | -11% | | -17% | -6% | | | | 0% | -14% | -9% |
| HIGHWAY CONSTRUCTION INSPECTOR II | 22 | 40.6 | | -19% | | -10% | | | | | 11% | -5% | |
| HUMAN RESOURCES SPECIALIST III | 25 | 49.1 | | | | | | | | | | | |
| HVAC MECHANIC I | 18 | 39.0 | | | | -17% | -9% | | | | 21% | -9% | |
| IT SPECIALIST III (LGPA Title: Autm Sysms Spcl) | 26 | 49.1 | | | | -15% | -9% | | | | 15% | -12% | |
| IT SPECIALIST III (LGPA Title: Prog Anal - Jmry Lvl) | 26 | 49.9 | 8% | | | -10% | | | | | 19% | -26% | |
| IT TECHNICIAN II | 16 | 31.2 | | | | | | | | | 20% | -9% | |
| LIBRARIAN I | 21 | 41.9 | | | | | | | | | 12% | -100% | |
| MANAGEMENT & BUDGET SPECIALIST III | 25 | 53.1 | | | | -17% | -9% | | | | 7% | -19% | |
| MECHANIC TECHNICIAN II | 18 | 37.1 | | | | -7% | | | | | 10% | -10% | |
| OFFICE CLERK | 5 | 24.7 | | | | | | | | | 8% | -7% | -8% |
| PERMITTING SERVICES INSPECTOR III | 23 | 40.5 | 14% | -9% | | -16% | | | | | 27% | -9% | |
| PLANNING SPECIALIST III | P2 | 45.9 | -5% | | | | | | | | 7% | -11% | |
| POLICE OFFICER I | A1 | 57.0 | | -9% | | -10% | | | | | | | |
| POLICE SERGEANT | 19 | 38.1 | | 0% | | 6% | | | | | 13% | 28% | -28% |
| PUBLIC SAFETY COMMUNICATION SPECIALIST III | 13 | 26.7 | | -11% | | | | | | | 24% | -8% | |
| PRINCIPAL ADMINISTRATIVE AIDE | 15 | 34.0 | | | | -7% | | | | | 6% | -5% | -14% |
| PRINTING TECHNICIAN II | 22 | 46.5 | | | | 12% | -5% | | | | 16% | -26% | |
| PROCUREMENT SPECIALIST II | 9 | 26.5 | | | | -7% | | | | | 6% | -14% | |
| PUBLIC SERVICE WORKER II | 21 | 44.3 | 5% | -5% | | | | | | | 6% | | |
| RECREATION SPECIALIST | 23 | 48.7 | 6% | 8% | | -7% | | | | | 6% | -12% | |
| SOCIAL WORKER II | 23 | 48.7 | | | | | | | | | 11% | | |
| THERAPIST II | 24 | 48.6 | -13% | | | | | | | | | | |

AVG % DIFF FROM MEDIAN: 3.5%
OF CLASSES MATCHED: 13

NOTES:

- o Salary data from local sources, including FY 2010 Local Government Personnel Association Salary Survey. Survey includes data from 31 public sector organizations in the national capital area. 38 of 96 non-school jobs have been matched.
- o Median salary includes MCG. The percent difference from the median is calculated by dividing dollar difference between the respective jurisdiction/agency salary and median by the median salary.
- o MNCPPC = Maryland-National Capital Park & Planning Commission
- MCG = Montgomery County Government
- WSSC = Washington Suburban Sanitary Commission

PERCENT DIFFERENCE FROM MEDIAN SALARY
FY '10 MAXIMUM SALARY COMPARISONS
SELECTED LOCAL JURISDICTIONS - SELECTED CLASSES

| MCG Title | MONT CO GOVT GRADE | MONT CO GOVT GRADE | ALEX CITY MEDIAN | ARL CO GOVT | ANNE ARL GOVT | BALT CITY GOVT | BALT CITY GOVT | FAIR CO GOVT | HOWARD CO GOVT | MNCPPC | MONT CO GOVT (MCG) | PG CO GOVT | WSSC |
|--|-----------------------------|-----------------------------|------------------------|-------------------|---------------------|----------------------|----------------------|--------------------|-------------------|--------|-----------------------------|---------------|------|
| ACCOUNTANT/AUDITOR III | 23 | 80.2 | | | | | | | | | | | |
| BUILDING SERVICE WORKER II | 8 | 38.8 | -5% | -15% | -12% | -39% | -30% | 6% | | 23% | 7% | 10% | |
| CARPENTER I | 17 | 54.2 | | -6% | -8% | -40% | -22% | 8% | | 17% | 19% | 21% | |
| COMMUNITY HEALTH NURSE II | 23 | 78.4 | 15% | | | -19% | -22% | | | | 9% | | |
| CORRECTIONAL SHIFT COMMANDER - LT | C1 | 79.8 | | | | | -30% | | | | -15% | | |
| CORRECTIONAL OFFICER I | C3 | 89.8 | | | | | | | | | | | |
| CORRECTIONAL OFFICER III | C5 | 70.3 | | | | | | | | | | | |
| DATA ENTRY OPERATOR | 10 | 44.8 | | | | | | | | | | | |
| ELECTRICIAN I | 18 | 61.4 | | | | | | | | | | | |
| ENGINEER III | 25 | 89.3 | | | | | | | | | | | |
| ENGINEER TECHNICIAN II | 18 | 61.6 | | | | | | | | | | | |
| EQUIPMENT OPERATOR I | 14 | 44.7 | | | | | | | | | | | |
| EQUIPMENT OPERATOR III | 16 | 52.6 | | | | | | | | | | | |
| FIRE/RESCUER LIEUTENANT | B1 | 90.6 | | | | | | | | | | | |
| FIREFIGHTER/RESCUER I | F1 | 69.2 | | | | | | | | | | | |
| FIREFIGHTER/RESCUER III | F3 | 74.3 | | | | | | | | | | | |
| HIGHWAY CONSTRUCTION INSPECTOR II | 22 | 88.5 | | | | | | | | | | | |
| HUMAN RESOURCES SPECIALIST III | 25 | 83.9 | | | | | | | | | | | |
| HVAC MECHANIC I | 18 | 62.5 | | | | | | | | | | | |
| IT SPECIALIST III (LGA Title: Autm Syslms Spcl) | 26 | 81.2 | | | | | | | | | | | |
| IT SPECIALIST III (LGA Title: Prog Anal - Jmy Lvl) | 26 | 85.4 | | | | | | | | | | | |
| IT TECHNICIAN II | 16 | 38.9 | | | | | | | | | | | |
| LIBRARIAN I | 21 | 70.4 | | | | | | | | | | | |
| MANAGEMENT & BUDGET SPECIALIST III | 25 | 89.6 | | | | | | | | | | | |
| MECHANIC TECHNICIAN II | 18 | 61.4 | | | | | | | | | | | |
| OFFICE CLERK | 5 | 39.0 | | | | | | | | | | | |
| PERMITTING SERVICES INSPECTOR III | 23 | 84.5 | | | | | | | | | | | |
| PLANNING SPECIALIST III | 23 | 80.7 | | | | | | | | | | | |
| POLICE OFFICER I | P2 | 72.2 | | | | | | | | | | | |
| POLICE SERGEANT | A1 | 92.1 | | | | | | | | | | | |
| PUBLIC SAFETY COMMUNICATION SPECIALIST III | 19 | 63.6 | | | | | | | | | | | |
| PRINCIPAL ADMINISTRATIVE AIDE | 13 | 43.6 | | | | | | | | | | | |
| PRINTING TECHNICIAN II | 15 | 56.1 | | | | | | | | | | | |
| PROCUREMENT SPECIALIST II | 22 | 77.3 | | | | | | | | | | | |
| PUBLIC SERVICE WORKER II | 9 | 39.7 | | | | | | | | | | | |
| RECREATION SPECIALIST | 21 | 73.9 | | | | | | | | | | | |
| SOCIAL WORKER II | 23 | 79.3 | | | | | | | | | | | |
| THERAPIST II | 24 | 81.0 | | | | | | | | | | | |

NOTES:

- o Salary data from local sources, including FY 2010 Local Government Personnel Association Salary Survey. Survey includes data from 31 public sector organizations in the national capital area. 38 of 96 non-school jobs have been matched.
- o Median salary includes MCG. The percent difference from the median is calculated by dividing dollar difference between the respective jurisdiction/agency salary and median by the median salary.
- o MNCPPC = Maryland-National Capital Park & Planning Commission
- o MCG = Montgomery County Government
- o WSSC = Washington Suburban Sanitary Commission

AVG % DIFF FROM MEDIAN:
OF CLASSES MATCHED:

-1.9% 8 -7.7% 16 -1.3% 20 -28.8% 32 -23.3% 36 8.1% 16 -9.7% 11 17.8% 14 11.4% 29 8.4% 23 2.7% 10

PROJECTED TOTAL PAY INCREASES

2009 - 2010

SALARY BUDGET SURVEYS

| <u>Survey Name</u> | <u>Number of Organizations Participating in Survey</u> | <u>Geographic Area of Survey</u> | <u>Survey - Actual 2009</u> | <u>Average Total Pay Increase (1) MCG - Average 2009 (2)</u> | <u>Survey - Budgeted 2010</u> |
|--|--|---|--|--|-------------------------------|
| World At Work 2009-2010 Salary Budget Survey (April 2009) | 2,644 1,419 | National Eastern U.S. | 2.20% 2.10% | 2.75% | 2.80% 2.86% |
| Mercer- 2009-2010 U.S. Compensation Planning Survey | over 1,100 | National | 2.30% | 2.75% | 2.60% |
| Hewitt Associates-Salary Survey (Press Release published August 11, 2009) | 1,156 | National Washington D.C. | 1.97% 3.00% | 2.75% | 2.67% 3.00% |
| Human Resource Association of the National Capital Area (HRANCA) Compensation Survey Report (August 2009) | 324 | Washington/Baltimore Metropolitan Area | 3.05% | 2.75% | 4.20% |
| 2010 Local Gov't Personnel Association (LGPA) Benchmark Salary and Comprehensive Benefits Survey- Cost of Living Adjustments (COLAs) Report (September 2009) | 29 jurisdictions | Washington/Baltimore Metropolitan Area | 0.81% (avg. increases of 29 jurisdictions surveyed) | 2.75% | N/A |

(1) Average salary increase (e.g., cost of living, merit, general wage adjustment, etc.) reported for non-exempt (union and non-union) and exempt (union and non-union) salaried employees in 2009.
 (2) 62.9% (5,710) employees eligible to receive a service increment in 2009 received a 3.5% service increment in calendar year 2009; 8% (781) of General Salary Schedule employees received a performance based pay average amount of 1.4% in July 2009; 2.63% (255) of Management Leadership Service (MLS) employees received performance based pay averaging 1.9% in 2009; 75.19% (6,823) of employees comprising civilian unrepresented, represented, and the Management Leadership Service (MLS) did not receive a general wage adjustment in July 2009; 11.81% (1,146) employees-Uniform Police and Uniform Police Management) did not receive a general wage adjustment in July 2009; and 11.38% (1,104) employees-Fire/Rescue Firefighters and Uniform Fire/Rescue Management) received a cost of living increment of 2% in January 2009 but did not receive any general wage adjustment in July 2009.

MEMORANDUM

November 23, 2010

TO: Nancy Floreen, Council President

FROM: Aron Trombka^{AT}, Senior Legislative Analyst, OLO

SUBJECT: Budget Spreadsheet
OLO Presentation on Achieving a Structurally Balanced Budget

As you requested, I have printed three scenarios from the budget spreadsheet we presented to the Council today.

- **Scenario One** assumes a balanced budget in each year through FY16 but shows agency spending on salaries and operating expenses decreasing in each on the next three fiscal years.
- **Scenario Two** shows the multi-year deficit that would occur if agency salary and operating costs grow by one percent each year through FY16.
- **Scenario Three** shows the multi-year deficit that would occur if agency salary and operating costs grow by three percent each year through FY16.

As stated in the presentation today, the sources for all the data in the spreadsheets are the approved Fiscal Plan, agency budget documents, and reports from agency actuaries.

Please let me know if you would like additional information.

c: Councilmembers

BALANCE SHEET
Tax Supported Funds - Four Agencies Combined (\$ millions)
Scenario One: Balanced Budget

| | FY11 | FY12 | FY13 | FY14 | FY15 | FY16 |
|--|---------|---------|---------|---------|---------|---------|
| Tax Revenue <i>Fiscal Plan Estimate</i> | \$3,821 | \$3,902 | \$3,921 | \$4,062 | \$4,252 | \$4,424 |
| Debt Service | \$264 | \$295 | \$329 | \$356 | \$379 | \$396 |
| Contribution to Reserves / Set Aside | \$141 | \$55 | \$49 | \$45 | \$61 | \$61 |
| CIP Current Revenue / PAYGO | \$24 | \$73 | \$90 | \$114 | \$117 | \$96 |
| Benefit Obligations | | | | | | |
| Group Insurance - Active & Retirees | \$394 | \$436 | \$474 | \$516 | \$561 | \$611 |
| Retirement/Pension Plans | \$193 | \$209 | \$229 | \$250 | \$263 | \$264 |
| OPEB Contributions | | \$84 | \$103 | \$122 | \$140 | \$147 |
| Pension Transfer (Senate Plan) | | \$13 | \$41 | \$69 | \$70 | \$70 |
| Agency Salaries and Operating Expenses | \$2,805 | \$2,737 | \$2,607 | \$2,590 | \$2,661 | \$2,780 |
| <i>Annual Change:</i> | | -2.4% | -4.7% | -0.6% | 2.7% | 4.4% |
| BALANCE | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

SIX-YEAR BALANCE \$0

BALANCE SHEET

Tax Supported Funds - Four Agencies Combined (\$ millions)

Scenario Two: 1% Annual Growth in Agency Salaries and Operating Expenses

| | FY11 | FY12 | FY13 | FY14 | FY15 | FY16 |
|--|---------|--------------|---------------|---------------|---------------|---------------|
| Tax Revenue <i>Fiscal Plan Estimate</i> | \$3,821 | \$3,902 | \$3,921 | \$4,062 | \$4,252 | \$4,424 |
| Debt Service | \$264 | \$295 | \$329 | \$356 | \$379 | \$396 |
| Contribution to Reserves / Set Aside | \$141 | \$55 | \$49 | \$45 | \$61 | \$61 |
| CIP Current Revenue / PAYGO | \$24 | \$73 | \$90 | \$114 | \$117 | \$96 |
| Benefit Obligations | | | | | | |
| Group Insurance - Active & Retirees | \$394 | \$436 | \$474 | \$516 | \$561 | \$611 |
| Retirement/Pension Plans | \$193 | \$209 | \$229 | \$250 | \$263 | \$264 |
| OPEB Contributions | | \$84 | \$103 | \$122 | \$140 | \$147 |
| Pension Transfer (Senate Plan) | | \$13 | \$41 | \$69 | \$70 | \$70 |
| Agency Salaries and Operating Expenses | \$2,805 | \$2,833 | \$2,861 | \$2,890 | \$2,919 | \$2,948 |
| <i>Annual Change: 1.0%</i> | | 1.0% | 1.0% | 1.0% | 1.0% | 1.0% |
| BALANCE | \$0 | -\$96 | -\$254 | -\$299 | -\$257 | -\$168 |

SIX-YEAR BALANCE **-\$1,075**

BALANCE SHEET

Tax Supported Funds - Four Agencies Combined (\$ millions)

Scenario Three: 3% Annual Growth in Agency Salaries and Operating Expenses

| | FY11 | FY12 | FY13 | FY14 | FY15 | FY16 |
|--|---------|---------------|---------------|---------------|---------------|---------------|
| Tax Revenue <i>Fiscal Plan Estimate</i> | \$3,821 | \$3,902 | \$3,921 | \$4,062 | \$4,252 | \$4,424 |
| Debt Service | \$264 | \$295 | \$329 | \$356 | \$379 | \$396 |
| Contribution to Reserves / Set Aside | \$141 | \$55 | \$49 | \$45 | \$61 | \$61 |
| CIP Current Revenue / PAYGO | \$24 | \$73 | \$90 | \$114 | \$117 | \$96 |
| Benefit Obligations | | | | | | |
| Group Insurance - Active & Retirees | \$394 | \$436 | \$474 | \$516 | \$561 | \$611 |
| Retirement/Pension Plans | \$193 | \$209 | \$229 | \$250 | \$263 | \$264 |
| OPEB Contributions | | \$84 | \$103 | \$122 | \$140 | \$147 |
| Pension Transfer (Senate Plan) | | \$13 | \$41 | \$69 | \$70 | \$70 |
| Agency Salaries and Operating Expenses | \$2,805 | \$2,889 | \$2,976 | \$3,065 | \$3,157 | \$3,252 |
| <i>Annual Change: 3.0%</i> | | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| BALANCE | \$0 | -\$152 | -\$368 | -\$475 | -\$495 | -\$472 |

SIX-YEAR BALANCE **-\$1,962**