

Joint Greenville City Council/Greenville Utilities Commission Meeting

Monday, April 21, 2014

6:00 p.m.

Greenville Utilities Board Room

401 South Greene Street

1. Call Meeting to Order – Mayor Thomas
– Chair Hardy
2. Approval of Agenda – City Council
Approval of Agenda – Greenville Utilities Commission

- Public Comment Period

The Public Comment Period is a period reserved for comments by the public. Items that were or are scheduled to be the subject of public hearings conducted at the same meeting or another meeting during the same week shall not be discussed. A total of 30 minutes is allocated with each individual being allowed no more than 3 minutes. Individuals who registered with the City Clerk to speak will speak in the order registered until the allocated 30 minutes expires. If time remains after all persons who registered have spoken, individuals who did not register will have an opportunity to speak until the allocated 30 minutes expires.

3. Minutes
 - a. For Approval – September 30, 2013 Joint Greenville City Council/Greenville Utilities Commission Meeting
 - b. For Information – Approved March 17, 2014 Joint City/GUC Pay and Benefits Committee Meeting
4. Market Adjustment/Merit Program: Recommendation from Joint Committee
5. Additional Holiday Consideration: Recommendation from Joint Committee
6. GUC Update
7. Cancellation of Scheduled April 28, 2014 Meeting
8. Next Steps
9. Adjournment – Greenville Utilities Commission
Adjournment – City Council

MEMORANDUM

TO: Mayor and City Council
Greenville Utilities Commissioners

FROM: Barbara Lipscomb, City Manager *BL*
Anthony C. Cannon, GUC General Manager/CEO *AC*

DATE: April 17, 2014

SUBJECT: Joint City/GUC Committee for Employee Pay and Benefits
Recommendations for Plan Year 2014

The Joint City/GUC Committee for Employee Pay and Benefits has developed recommendations with regard to employee pay adjustments for FY 2014-15 and an additional paid holiday. These items will be considered at the Joint City Council/GUC meeting scheduled for Monday, April 21, at 6:00 p.m. in the Greenville Utilities Board Room.

Pay and Benefits Committee members are GUC Commissioners John Minges and Don Mills, and Council Members Rose Glover and Rick Smiley.

Market Adjustment and Merit Allocation

The City of Greenville and GUC annually review the competitive market pay posture of our joint pay plan. The objective is to maintain an effective pay system for our employees that is internally equitable and compatible, and is competitive to the external marketplace. In the spring of 2013, the City of Greenville and GUC approved the suspension of the merit program, the postponement of a market adjustment, and the absorption of any healthcare cost increases for fiscal year 2013-14. Three factors are generally considered when developing a proposal for an across-the-board market adjustment and/or the standard 1.5% allocation for merit funding.

1. **Wage Growth in the General Marketplace**

- Wage projections and trends for 2014 have been updated several times in the past few months to reflect the changing economic scene.
 - Based on data reported in July 2013, Capital Associated Industries (CAI), a benchmark that has been consistent with pay plan market adjustments, projects average increases in 2014 of 2.3% for non-exempt employees and 2.4% for exempt employees in North Carolina. CAI reported that about 80% of their survey respondents are projecting increases for 2014.
 - WorldatWork projects a 3.17% overall increase for 2014, with public sector employee increases averaging 2.3%. Mercer's 2013/2014 Compensation

Planning survey projects a 2.9% average raise in employee's base pay while Aon Hewitt, Hays, and The Conference Board are all projecting 3% increases.

- o According to Towers Watson employee pay increases will average 2.9% in 2014 and 96% of the organizations surveyed said they plan to increase employee compensation in 2014. According to the 2014 National Business Trends Survey, published in December 2013 by the Employer Associations of America, 90% of North Carolina employers are planning pay increases in 2014 compared to 83.2% in 2013.
- o Staff surveyed our established benchmark public sector organizations and several local private employers to determine their plans for FY2014-15 and FY2013-2014 compensation decisions.
 - Most of the benchmark organizations are developing their budgets for 2014-2015 and had not made their decisions regarding employee compensation. Of the 22 organizations that responded, 19 gave their employees pay increases in 2013-14; the average increase was 2.98% (market and/or merit) with one organization giving each employee a \$750 bonus.
 - In 2013-14, three of the seven local employers who responded gave their employees pay increases that averaged 4.2% (market and/or merit). Preliminary information indicates that at least four are planning to increase employee pay in 2014-15.

2. City & GUC Compensation History

The compensation of City/GUC employees is below the market average, (4.81%), due to our budget constraints in 2009 through 2013. A historical comparison is attached. The cumulative City/GUC increase is 34.50% compared to the cumulative general market of 39.31%, a deficit of (4.81%). The City's draft budget for FY 2014-2015 includes an employee pay adjustment of 1.5% (market adjustment), and GUC's budget includes an employee pay adjustment of 3.5% (2% market adjustment and 1.5% to fund the merit pool).

3. Consumer Price Index (CPI)

The CPI measures the average price changes over time for specific goods and services consumed in a specific population area. It represents a measure of inflation or economic trends. For the period of March 2013 to March 2014, the CPI was 1.5%. In comparison, the CPI for February 2012 to February 2013 was 1.6% while the CPI was for the period of January 2011 to January 2012 was 2.9%. Although we do not use the CPI as an adjusting factor, we know that as a practical matter, the net buying power of our employees is affected by the CPI.

Recommendation

The Committee recommends that the City/GUC fund an employee pay adjustment of 2.5% for 2014-2015.

Additional Holiday

Currently, the City and GUC provide eleven paid holidays to employees in line with the State of North Carolina and other local governments. Beginning in 2012 the State of North Carolina added a twelfth holiday, usually a third day at Christmas, and many local governments have done the same. This includes Pitt County, Rocky Mount, Wilson, Wilmington, Roanoke Rapids, and Tarboro.

Recommendation

The Committee recommends the addition of a twelfth paid employee holiday, beginning in 2014, which will be scheduled at the Managers' discretion.

A short presentation will be provided. We look forward to seeing you at the upcoming Joint Meeting at 6:00 p.m. on April 21, 2014 in the GUC Board Room. Dinner will be available at 5:30 p.m.

cc: Chris Padgett, Assistant City Manager
George Reel, Interim Chief Administrative Officer
Todd Rouse, Chief Analytics Officer

Attachments

PROPOSED MINUTES
JOINT MEETING OF THE GREENVILLE CITY COUNCIL
AND THE GREENVILLE UTILITIES COMMISSION BOARD OF COMMISSIONERS
MONDAY, SEPTEMBER 30, 2013

Having been properly advertised, a joint session of the Greenville City Council and the Greenville Utilities Commission Board of Commissioners (GUC Board) was held on Monday, September 30, 2013 in the GUC Board Room, located on the second floor of the Greenville Utilities Main Office Building at 401 S. Greene Street in Greenville, with Mayor Allen M. Thomas presiding for the City Council and Chair Virginia Hardy presiding for GUC. Mayor Thomas and GUC Chair Hardy called the meeting to order at 5:00 p.m., with a quorum of both boards present.

Those present from the City Council:

Mayor Allen M. Thomas, Mayor Pro-Tem Rose H. Glover, and Council Members Kandie Smith, Marion Blackburn, Calvin R. Mercer, Max R. Joyner, Jr., and Dennis Mitchell

Also present from the City of Greenville:

Barbara Lipscomb, City Manager; Chris Padgett, Assistant City Manager; Dave Holec, City Attorney; Leah Futrell, Director of Human Resources; Steve Hawley, Public Information Officer; Frank Salvato, Benefits Manager; and Carol L. Barwick, City Clerk

Those present from the Greenville Utilities Commission:

Chair Virginia Hardy, Vice-Chair Stan Eakins, Commissioners John Minges, Phil Flowers, Don Mills, Rebecca Blount, Chip Little, and Barbara Lipscomb

Also present from the Greenville Utilities Commission:

Tony Cannon, General Manager/CEO; Todd Rouse, Chief Operating Officer; Phillip R. Dixon, Attorney; Amy Quinn, Executive Assistant to the General Manager; Jeff McCauley, Chief Financial Officer; Lou Norris, Recording Secretary; Sue Hatch, Public Information Officer; Patrice Alexander, Human Resources Director; Debbie Jones, Benefits Administrator; Sandy Barnes, Director of Information Technology; Randy Emory, Director of Water Resources and Tony Godwin, IT Infrastructure Manager

Others present:

Ginger Livingston, The Daily Reflector and Steven Graybill, Mercer Consulting

Those absent:

There were no absences from the City Council or Greenville Utilities Commission.

CALL TO ORDER

Mayor Allen Thomas called the meeting to order and ascertained that a quorum was present.

Chair Hardy called the meeting to order and Commissioner Minges ascertained that a quorum was present.

APPROVAL OF THE AGENDA

Upon motion by Council Member Blackburn and seconded by Council Member Mercer, the Greenville City Council unanimously approved the agenda.

Upon motion by Commissioner Little and seconded by Commissioner Flowers, the GUC Board unanimously approved the agenda.

PUBLIC COMMENT PERIOD

Mayor Thomas opened the public comment period and explained the procedures to be followed by anyone who wished to speak.

There being no one present who wished to speak, Mayor Thomas closed the public comment period.

JOINT COMMITTEE RECOMMENDATION ON 2014 HEALTHCARE BENEFITS

Commissioner Minges stated that each spring during the budget development process the City Council and the GUC Board must provide staff with direction on the pay and benefits changes for the upcoming year. This past spring the Joint Committee agreed to suspend the merit program, postpone any market adjustment, and absorb the healthcare cost increase for 2013-14.

Since that time, the Joint Committee has worked to develop benefit recommendations for 2014. On August 29, 2013, the Joint Committee held a meeting where Mercer Consulting advised that healthcare costs would increase 10.9% and dental costs would increase 9.6% for the 2014 plan year. The 10.9% healthcare cost increase will also apply to the pre-65 retirees pursuant to our Personnel Policies. He indicated potential savings could be achieved with the implementation of prescription drug programs such as the Step Therapy program and the Dispense as Written program.

At the August meeting, the Joint Committee for Employee Pay and Benefits voted unanimously to implement the following for plan year 2014:

Recommendations:

- Keep employee contributions flat, by having no design change that would add additional cost to employee

- Adopt 2 prescription drug program options: Step Therapy and Dispense as Written

Education on the two programs will be provided to the employees during open enrollment. Ms. Futrell noted that currently about 80% of City employees use generic drugs. Mr. Graybill added that physicians are very familiar with this program and should be able to discuss options with their patients accordingly.

Upon motion by Council Member Joyner and seconded by Council Member Blackburn, the Greenville City Council approved the Joint Pay and Benefits Committee recommendations.

Upon motion by Commissioner Minges and seconded by Commissioner Flowers, the GUC Board unanimously approved the Joint Pay and Benefits Committee recommendations.

JOINT COMMITTEE RECOMMENDATION ON LIFE/DISABILITY INSURANCE BROKER

Upon motion by Council Member Smith and seconded by Council Member Glover, the Greenville City Council unanimously agreed to excuse Council Member Joyner from voting on this subject. Council Member Joyner left the room.

Assistant City Manager Chris Padgett stated the current life and disability insurance broker has been providing service to the City and GUC for over 20 years. In the spring of 2013, staff was directed by the Joint Committee to send out a Request for Proposal (RFP) for a broker for life and disability insurance benefits. A request for proposal was issued in July. Staff met on September 5, 2013 to evaluate the responses. The Joint Committee for Employee Pay and Benefits met on September 23, 2013, and approved staff's recommendation to designate Pierce Insurance as our broker of record for life and disability insurance for one (1) year.

Upon motion by Council Member Blackburn and seconded by Council Member Smith, the Greenville City Council unanimously approved the recommendation from the Joint Committee for Employee Pay and Benefits to designate Pierce Insurance as our broker of record for life and disability insurance for one (1) year.

Upon motion by Commissioner Minges and seconded by Commissioner Flowers, the GUC Board unanimously approved the recommendation from the Joint Committee for Employee Pay and Benefits to designate Pierce Insurance as our broker of record for life and disability insurance for one (1) year.

Council Member Joyner returned to the meeting.

UPDATE ON HEALTHCARE BENEFITS STRATEGIC PLAN DEVELOPMENT

Mr. Padgett reminded the group that several years ago the City and GUC moved from a fully insured program to a self-funded program. This change has saved money and deferred some additional cost. Therefore, overall, it has been a positive change. However, he indicated that since healthcare costs are rising, it is necessary to consider the level of benefit that is being provided and determine if it sustainable for the long term. The goal is to ensure that a competitive package is offered that is cost effective and sustainable. A three year plan is being assembled by staff which will identify ways to be proactive instead of reactive and will help to manage cost for years 2015, 2016 and 2017. A written strategic plan will assist with budgeting and communications to employees.

ADJOURNMENT

There being no further discussion, Commissioner Minges moved to adjourn the meeting. Commissioner Little seconded the motion, which was approved by unanimous vote. Chair Hardy adjourned the meeting for the GUC Board at 5:32 p.m.

There being no further discussion, Council Member Blackburn moved to adjourn the meeting. Council Member Mercer seconded the motion, which was approved by unanimous vote. Mayor Thomas adjourned the meeting for the City Council at 5:32 p.m.

Respectfully submitted,

Amy Carson Quinn
Executive Secretary

APPROVED:

John Minges, Secretary

MINUTES
JOINT PAY AND BENEFITS COMMITTEE
Monday, March 17, 2014

The Joint Pay and Benefits Committee of the City of Greenville (COG) and the Greenville Utilities Commission (GUC) met on Monday, March 17, 2014 in the City Hall Conference Room #337.

Committee members present included Council Member Rose H. Glover, Council Member Rick Smiley, Commissioner Don Mills and Commissioner John Minges. No committee members were absent.

Other COG officials and staff present included City Manager Barbara Lipscomb, Assistant City Manager Chris Padgett, Director of Human Resources Leah Futrell, and Benefits Manager Frank Salvato.

Other GUC officials and staff present included General Manager/CEO Tony Cannon, Chief Analytics Officer Todd Rouse, Chief Financial Officer Jeff McCauley, Chief Administrative Officer George Reel, Director of Human Resource Patrice Alexander, Human Resource Manager Natasha Ashton, Executive Assistant to the General Manager Amy Quinn, and Secretary to the General Manager Lou Norris. Phil Dixon, Commission Attorney, was also present.

Steve Graybill with Mercer Consulting attended the meeting via conference call.

City Manager Barbara Lipscomb called the meeting to order at 3:00 p.m. and ascertained that a quorum was present.

ITEM I - APPROVAL OF THE AGENDA

Upon motion by Commissioner John Minges, and seconded by Council Member Rose Glover, the agenda was approved as presented by unanimous vote.

ITEM II - APPROVAL OF MINUTES

Commissioner Minges made a motion to approve the minutes from the September 23, 2013, meeting. Council Member Rose Glover seconded the motion, which passed by unanimous vote.

ITEM III – MERCER PRESENTATION: UPDATE ON DEVELOPMENT OF
HEALTH BENEFITS STRATEGIC PLAN

Mr. Steve Graybill of Mercer Consulting joined the meeting via conference phone and presented to the Committee on the Health Benefits Strategic Plan. Mr. Graybill stated that the City and GUC staff have been working with Mercer to develop a three to five year strategic plan based on three guiding principles: employee well-being, a competitive benefits package that is sustainable, and supporting the recruitment and retention of quality talent. The strategy of the plan is to focus on insurance plan design changes in order to avoid the 2018 Excise Tax that will be implemented by the federal government on high value employer plans. Employer/Employee cost share can be used as the secondary lever to help balance the budget after plan design changes. Then, the plan design and cost share strategy can be modified as needed based on the actual plan performance (trend), salary increases and pay plan changes, the financial capacity of the organizations, market trends, and possible changes and developments in the pharmacy arena (for example specialty drugs and mail order).

Annual projections and rate setting are typically finalized in the summer of each year and are subject to national trends, actual claims experience and plan performance, regulatory requirements, administrative fee increases, and stop loss fee increases. Enrollment will begin in the fall with an effective date in January.

Mr. Graybill provided information to the Committee on the 2018 Excise Tax. This 40% excise tax starts in 2018 on “high value” employer –sponsored coverage. This tax will affect former employees and surviving spouses. This tax is on the “excess benefit” which is the amount over the cap that is set. The current plans may need to be adjusted in order to avoid this new tax. The initial cap set on this excise tax is \$10,200/self-only and \$27,500 for coverage other than self-only (family). Guidance is still forthcoming on how this new tax will be collected and how thresholds will be indexed. Also, special interest groups are lobbying for exemptions. A chart was provided showing estimated annual excise tax for years 2018-2022 for the current Core and Enhanced insurance plan. This chart showed the impact of 0%, 7%, and 14% market trends.

Next, Mr. Graybill reviewed the PPO plan design benchmarking. This data is for medical plan provisions for year 2014 and compared our Core and Enhanced plan with those participating in Mercer’s 2013 employer survey. Mr. Graybill also provided data on the City and GUC benchmarking summary for monthly employee contributions. This is the amount and percentage an employee pays for employee and family coverage compared to the surveyed benchmarked entities. The benchmarking included only active employees. Retirees, pre-65 retirees and COBRA participants were excluded.

It was mentioned that the city has approximately 165 retirees and GUC has approximately 75 retirees. Ms. Lipscomb summarized that staff will continue to work with the consultant over the next few months to develop the plan and then present a recommendation to the Committee in late summer or early fall.

ITEMS IV and V– STATUS OF MERIT PAY PROGRAM AND MARKET ADJUSTMENT

Ms. Lipscomb noted that included in the agenda materials is a GUC & COG Salary History (1990-2014) and noted the 3rd footnote on the document. Mr. Cannon mentioned that the methodology that the City used in the calculations related to the absorption of medical benefits premium increases for FY 2013-14 was different from GUC's methodology. There was discussion concerning City and GUC employees' salaries being significantly below the market average, (-4.81%). Last year, FY 2013-14, GUC and the City absorbed 100% of the medical benefits premium increases in lieu of merit and market increases.

Council Member Smiley inquired as to why in FY 2011-12 and FY 12-13, GUC and the City had different percentages allocated to merit and market programs. Ms. Lipscomb reported that the City does not have a compensation system in place to use the merit program successfully. The City Council has requested a merit based pay-for-performance plan.

There was discussion concerning desire of the City Council and GUC Commissioners to pay employees at market following the last pay plan study several years ago. Currently, the City and GUC are not at market due to economic conditions and we continue to fall behind market. If no salary increases are provided this year, GUC and City employee salaries will be (-7.21%) below market based on the CAI index. Mr. Cannon stressed the importance of not continuing this trend and becoming even further behind the market than we are currently. There was discussion to bring the consultant back for a five year evaluation of the pay plan study. Mr. Cannon stated that we need to remain competitive in the recruitment market.

Mr. Minges pointed out data that was listed in the memorandum on wage growth in the general marketplace. Based on this data from different sources, we should consider what we can afford and budget accordingly. This data shows an average projected trend for 2014 salary increases ranging from 2.3% to 2.9%.

Mr. Cannon asked the Committee for some direction on the market and merit programs. Council Member Glover inquired about compression issues. Staff provided information in response to her questions. There was discussion in that moving the pay plan to market would adversely impact compression on the city side.

Mr. Padgett noted that any pay increases for City employees that may go into effect for this year would be a market adjustment, not merit based. A merit program would be considered in the following year once a new performance evaluation program has been established. A staff recommendation will be made at the next Joint Pay and Benefits Committee meeting.

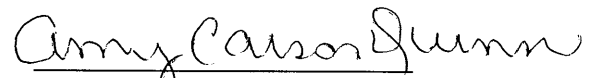
ITEM VI – Next Steps and Next Meetings

The staff meeting will be moved out a week to allow more time for budget planning and review. The Joint Pay and Benefits Committee will meet again on April 1, 2014, at 3:00 p.m. in the GUC Board Room.

ITEM VII - ADJOURNMENT

There being no further discussion, Commissioner Minges made the motion to adjourn and Council Member Glover seconded the motion. The motion was unanimous and the meeting was adjourned at 4:18 p.m.

Respectfully submitted,


Amy Carson Quinn
Executive Secretary, GUC

GUC & COG Salary History (1990-2014)

GUC/COG Market Adjustment History	
1990	4.5%
1991	0
1992	2.5%
1993	2.5%
1994	2.0%
1995	2.5%
1996	4.0%
1997	4.0%
1998	4.0%
1999	4.0%
2000	4.0%

GUC/COG Combined Market and Merit Adjustment History						
Fiscal Year	Annual		Combined	Market (CAI) ¹	Difference	Cumulative Difference
	Market	Merit				
01/02	2.5%	1.5%	4.0%	4.50%	-0.50%	-0.50%
02/03	0	0	0	4.07%	-4.07%	-4.57%
03/04	1.6%	1.5%	3.1%	3.23%	-0.13%	-4.70%
04/05	3.9%	1.5%	5.4%	3.47%	1.93%	-2.77%
05/06	3.0%	1.5%	4.5%	3.38%	1.12%	-1.65%
06/07	3.0%	1.5%	4.5%	3.40%	1.10%	-0.55%
07/08	3.0%	1.5%	4.5%	3.20%	1.30%	0.75%
08/09	3.0%	1.5%	4.5%	3.40%	1.10%	1.85%
09/10	0	0	0	1.59%	-1.59%	.26%
10/11	0	0	0	1.81%	-1.81%	-1.55%
11/12 ² (GUC)	0	1.5%	1.5%	2.30%	-0.80%	-2.35%
(COG)	1.5%	0	1.5%	2.30%	-0.80%	-2.35%
12/13 (GUC)	1.0%	1.5%	2.5%	2.49%	0.01%	-2.34%
(COG)	2.5%	0	2.5%	2.49%	0.01%	-2.34%
13/14 ³	0 ³	0	0	2.47%	-2.47%	-4.81%
14/15				2.40%	-2.40%	-7.21%

¹ Market (CAI) survey is the average of approximately 450 NC companies including those with zero increases.

² The new pay plan became effective on 7/1/2011; while many jobs did move up or down, relative to other previously comparable jobs, only a limited number of GUC and City employees received pay increases. The pay plan brought salary ranges in line with the current market but actual wages were not impacted to a large degree.

³ GUC & COG absorbed 100% of the medical benefits premium increases for FY 13/14. For the City, the increase in funding is the equivalent of a 2.5% market increase for employees. For GUC, the increase in funding is the equivalent of a 0.40% market increase for employees.

ANALYTICS OFFICE

MEMORANDUM

TO: Anthony C. Cannon, General Manager/CEO

FROM: Todd Rouse, Chief Analytics Officer

DATE: April 4, 2014

SUBJECT: Budgetary Impact on Pay Plan Adjustments

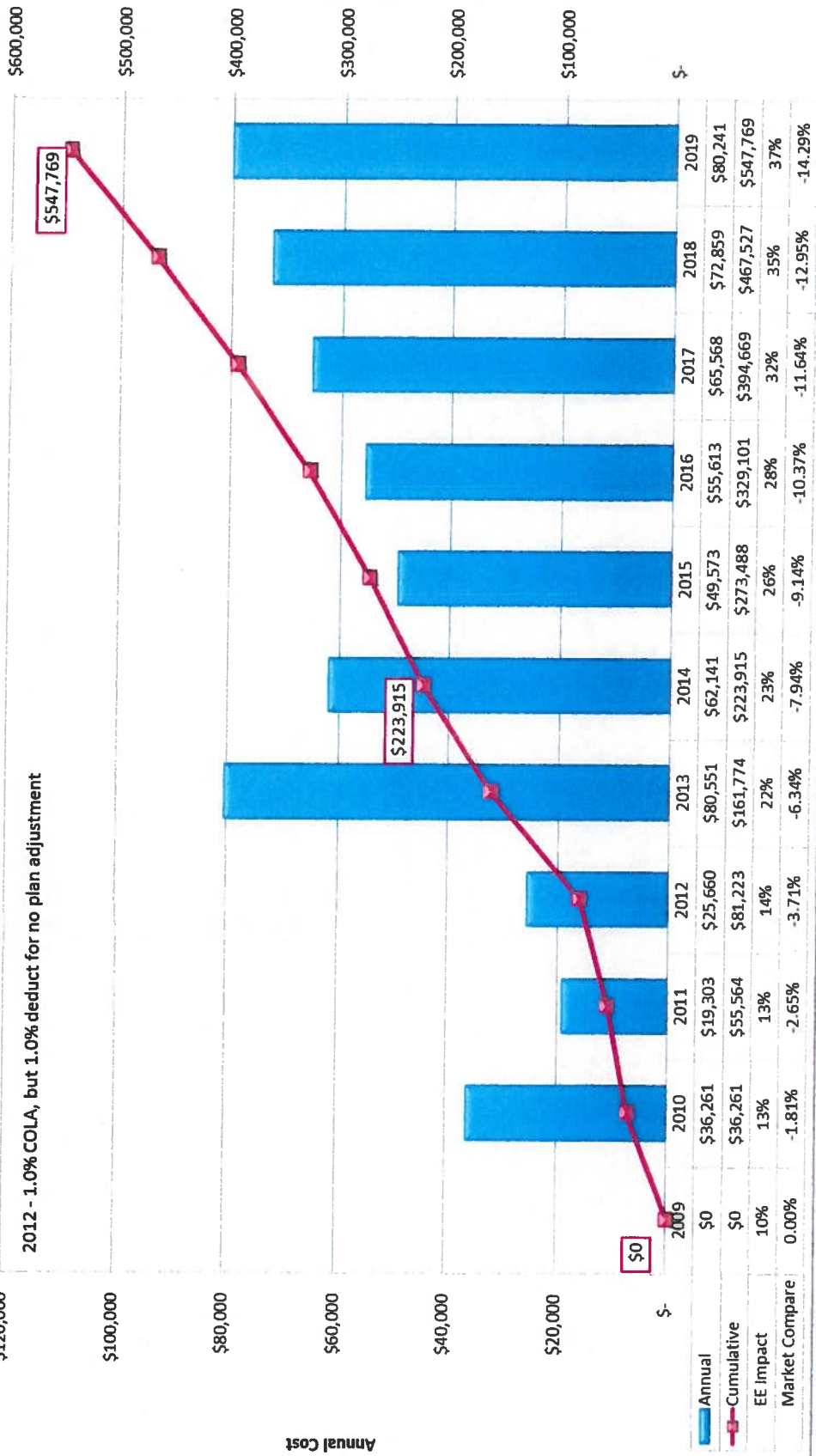
The 2009 pay plan study resulted in \$43,285 in implementation costs to address salary compression issues impacting 7.0% of the workforce. In preparation for the 2010 pay plan study, both market and merit adjustments were being made to bring GUC's compensation in line with the market. In 2009, the plan pay was only 2.27% below market primarily due to no pay adjustments during the study year. The compression adjustment brings existing employees up to 5.0% of their pay grade range plus 0.5% for each year of service.

Since 2009, the pay plan has not been adjusted while the market has increased, placing GUC's pay plan 6.34% below market. The current pay plan distribution places employees at 51% of their pay grade roughly at the midpoint. However, comparing with the current market our employees are at 36% of their appropriate pay grade. Due to the below market adjustments since 2010, the cost to bring GUC's pay plan back in line with market today is at \$223,915 impacting 23% of our workforce.

If our pay plan continues to adjust 1.0% below market for the next ten years without merit increases, GUC's future pay plan adjustments to address compression increase exponentially. The average annual cost begins at \$50,000 and increases to \$80,000. In 2019, the pay plan review will find GUC 14.3% below market with a potential cost adjustment of \$550,000 impacting 37% of our workforce.

GUC Cost Adjustment Back to Market

2012 - 1.0% COLA, but 1.0% deduct for no plan adjustment



GUC & COG Compensation History

GUC/COG Market Adjustment History

1990	4.5%
1991	-
1992	2.5%
1993	2.5%
1994	2.0%
1995	2.5%
1996	4.0%
1997	4.0%
1998	4.0%
1999	4.0%
2000	4.0%

FY-1	Combined Market and Merit			General Market	Annual Difference	Cumulative Difference	Compounded Difference
	Market	Merit	Combined				
2001	2.5%	1.5%	4.0%	4.50%	-0.50%	-0.50%	-0.50%
2002	-	-		4.07%	-4.07%	-4.57%	-4.75%
2003	1.6%	1.5%	3.1%	3.23%	-0.13%	-4.70%	-5.04%
2004	3.9%	1.5%	5.4%	3.47%	1.93%	-2.77%	-3.15%
2005	3.0%	1.5%	4.5%	3.38%	1.12%	-1.65%	-1.99%
2006	3.0%	1.5%	4.5%	3.40%	1.10%	-0.55%	-0.76%
2007	3.0%	1.5%	4.5%	3.20%	1.30%	0.75%	0.82%
2008	3.0%	1.5%	4.5%	3.40%	1.10%	1.85%	2.27%
2009	-	-		1.59%	-1.59%	0.26%	0.00%
2010	-	-		1.81%	-1.81%	-1.55%	-1.81%
2011	-	1.5%	1.5%	2.30%	-0.80%	-0.80%	-2.65%
2012	1.0%	1.5%	2.5%	2.49%	0.01%	-0.79%	-3.71%
2013	0.0%	0.0%	0.0%	2.47%	-2.47%	-3.26%	-6.34%
2014	1.0%	0.0%	1.0%	2.40%	-1.40%	-4.66%	-7.94%
2015	1.0%	0.0%	1.0%	2.00%	-1.00%	-5.66%	-9.14%
2016	1.0%	0.0%	1.0%	2.00%	-1.00%	-6.66%	-10.37%
2017	1.0%	0.0%	1.0%	2.00%	-1.00%	-7.66%	-11.64%
2018	1.0%	0.0%	1.0%	2.00%	-1.00%	-8.66%	-12.95%
2019	1.0%	0.0%	1.0%	2.00%	-1.00%	-9.66%	-14.29%

¹ Reset the Compounding Difference

² No adjustment to the pay grades only salaries 1.0% impact

³ COG/GUC absorbed full healthcare benefits for 2014 - GUC 0.6% benefit