

## ANALYSIS OF STATE EMPLOYEE SALARY INCREASES

| Year | Salary Increase Provided or Proposed   | Annual Inflation |
|------|--|------------------|
| 1973 | 5%   | 6.2%             |
| 1974 | 4%   | 11.0%            |
| 1975 | 5% (in addition to an 11.9% salary adjustment)   | 9.1%             |
| 1976 | 5%   | 5.7%             |
| 1977 | 5%   | 6.5%             |
| 1978 | 5%   | 7.6%             |
| 1979 | 6.5%   | 11.3%            |
| 1980 | 6.5%   | 13.5%            |
| 1981 | 9% (in addition to a 10% salary adjustment)  | 10.3%            |
| 1982 | 8% (reduced by Governor's budget allotments)   | 6.2%             |
| 1983 | 2% contribution to retirement  | 3.2%             |
| 1984 | 2% contribution to retirement  | 4.3%             |
| 1985 | 9.5% higher education faculty and senior administrative staff, 5.5% for all other state employees  | 3.5%             |
| 1986 | 4% with a minimum of \$50 per month; the Governor deferred this increase for agencies under his control to January 1, 1987   | 1.9%             |
| 1987 | 0%   | 3.7%             |
| 1988 | 0%   | 4.1%             |
| 1989 | 11.4% higher education faculty at UND and NDSU; 9.5% higher education faculty at other four-year universities; 7.3% higher education faculty at two-year colleges; 9.1% faculty at the medical school; administrative, professional, and classified employees at the institutions of higher education received increases averaging between 8.7% and 9.7%; 7.1% for all other state employees | 4.8%             |
| 1990 | 7% higher education faculty at four-year universities, 5% higher education faculty at two-year colleges, 0% all other state employees  | 5.4%             |

| <b>Year</b> | <b>Salary Increase Provided or Proposed</b>  | <b>Annual Inflation</b> |
|-------------|--|-------------------------|
| 1991        | 4% with a minimum of \$50 per month  | 4.2%                    |
| 1992        | \$40 per month   | 3.0%                    |
| 1993        | \$60 per month   | 3.0%                    |
| 1994        | 3% (to the extent available from agency savings)   | 2.6%                    |
| 1995        | 2%   | 2.8%                    |
| 1996        | 3% (includes 1% for salary inequity correction and merit increases)  | 2.9%                    |
| 1997        | 3% (includes 1.5% for salary inequity correction and merit increases)  | 2.3%                    |
| 1998        | 3% (includes 1.5% for salary inequity correction and merit increases; in addition, the University System received a \$3.2 million pool of funds for the 1997-99 biennium to address salary compression, market, and equity problems) | 1.6%                    |
| 1999        | 2% with a minimum of \$35 per month - Increases over \$35 are to be based on merit and equity  | 2.2%                    |
| 2000        | 2% with a minimum of \$35 per month - Increases over \$35 are to be based on merit and equity. An additional 1 percent may be provided to the extent the increase can be paid with existing agency resources.                        | 3.3% (projected)        |
| 2001\1      | 3% with a minimum of \$35 per month - Increases over \$35 are to be based on merit and equity  | 2.5% (projected)        |
| 2002\1      | 2% with a minimum of \$35 per month - Increases over \$35 are to be based on merit and equity. An additional 1 percent may be provided to the extent the increase can be paid with existing agency resources.                        | 2.5% (projected)        |

\1 In addition, the executive budget recommends funding for other compensation increases in various budgets including:

\$5.4 million, \$2.7 million of which is from the general fund, in the Office of Management and Budget appropriation (House Bill No. 1015) for providing market equity compensation adjustments for classified employees as approved by the Central Personnel Division.

\$1,073,689 from the general fund for critical salary adjustments for entities under the control of the State Board of Higher Education in the University System office budget (Senate Bill No. 2003).

\$278,459, \$230,383 of which is from the general fund, for salary equity adjustments for elected and appointed officials (various elected officials appropriation bills).