



# County of Fairfax, Virginia

## MEMORANDUM

**DATE:** MAR 18 2013  
**TO:** Board of Supervisors  
**FROM:** Edward L. Long Jr.  
County Executive  
**SUBJECT:** STRIVE Proposal Impact

As I said when I laid out the STRIVE initiative to the Board in December, I am concerned that the County's variable pay program is financially unsustainable. It is also clear that the lack of a consistent plan for compensation increases from year to year is challenging for employees as they look ahead and try to plan their careers. I believe it is important that the County have a compensation model that we can sustain in our long-term financial planning. While we cannot afford pay increases in FY 2014, we do have costs of more than \$12 million in FY 2014 to pay for the full-year impact of increases received by employees in FY 2013. The full-year cost of our traditional salary increases, which provided step and longevity increases for public safety employees, performance awards for non-public safety employees and market rate adjustments for all merit employees, is now over \$50 million annually. Looking forward over the next years, the total cost of the current program continues to grow.

For comparative purposes the full year costs of the STRIVE compensation model and the current program are provided below:

	STRIVE (millions)	Current Compensation Program <sup>2</sup> (millions)
FY 2014	\$1.23 <sup>1</sup>	\$47.74
FY 2015	\$22.87 <sup>3</sup>	\$49.85
FY 2016	\$22.85 <sup>4</sup>	\$52.06
FY 2017	\$24.01 <sup>3</sup>	\$54.37
FY 2018	\$24.06 <sup>4</sup>	\$56.77
FY 2019	\$24.62 <sup>3</sup>	\$59.27

1 Full year cost of FY 2014 Longevities

2 Current compensation program includes a 2% MRA in July, a 2.5% PFP in January, and Merits/Longevities

3 Reflects estimated MRA of 2% and Longevities in FY15, FY17 and FY19

4 Reflects Merits, Longevities, and a general employee pay increase estimated at 2% for FY16 and FY18

As a follow up to discussion at the last Personnel and Reorganization Committee meeting, attached are comparisons between the current pay system and the proposed STRIVE system and the potential financial impact on three employee groups: General (Plumber I is used as the example), Police (Police Officer I is used as the example), and Fire (Firefighter is used as the example). The attached charts provide the overall cost comparison of the current compensation program to the STRIVE proposal over the next six years.

The first group of charts (attachment I) illustrate the potential financial impact between the current and STRIVE systems covering a 5 year period of time for a Police Officer I, Firefighter, and Plumber I at certain tenure points in their career. This data is perhaps most relevant because it factors in the fact that the STRIVE proposal is not intended to be permanent but instead a 5-year plan to be evaluated at the end of that timeframe. The current system estimates assume that the current compensation program is funded, affordable, and sustainable. Recent history indicates this is not the case due to fluctuating economic cycles.

For the public safety examples of Police Officer I and Firefighter, the first set of boxes compares the systems over a 5 year period beginning at 1 year of service; the second set of boxes compares over a 5 year period beginning at 6 years of service; the third set of boxes compares over a 5 year period beginning at 9 years of service; and the last two sets of boxes compare at 15 years of service and 20 years of service. In the general employee example of Plumber I, the first set of boxes compares the systems over a 5 year period for someone earning the salary minimum of the pay range; the second set of boxes compares over a 5 year period for someone earning a salary between the minimum and midpoint of the pay range; the third set of boxes compares over a 5 year period for someone earning a salary at midpoint of the pay range; and the last set of boxes compares salaries between the midpoint and the maximum.

The data in the Police Officer I/Firefighter examples indicate that the STRIVE program will have *less* of a financial impact on the more tenured/longer service public safety employee (9 years of service and greater) mainly because they are in step holds at the end points of their careers under the current system. However, the data for the general employee example, Plumber I, indicate a much different outcome. In this scenario, the STRIVE program will have a *slightly higher* financial impact on the more experienced, longer service general employee mainly because higher salary rates are earned as one advances through the pay range. The difference in outcomes is due to the fact that public safety is on a step pay plan, which progresses employees through the pay range at a more accelerated rate at entry level career points and has step holds at the end of pay range, whereas general employees are on an open range pay plan, which does not have an entry level acceleration but also does not have step holds at the end of the pay range.

The second group of charts (attachment II) illustrates the potential financial impact between the current and STRIVE systems covering a 25 year career span for the Plumber I (general employee), Police Officer I, and Firefighter. The differences over the 25 year span amount to \$574,082 less for the Plumber I, \$390,099 less for the Police Officer I, and \$429,745 less for the

Firefighter under the STRIVE system as compared to the current system. While it is assumed in the attachment that MRA, Merit, and Pay for Performance increases would occur over the entire 25 year span, the actual calculation of the MRA as well as the availability of funding would impact what was actually applied in a given year.

Please let me know if I can provide additional information or answer further questions.

Attachments

cc: Susan W. Datta, Chief Financial Officer  
Patricia D. Harrison, Deputy County Executive  
David J. Molchany, Deputy County Executive  
David M. Rohrer, Deputy County Executive  
Robert A. Stalzer, Deputy County Executive  
Susan E. Woodruff, Director, Department of Human Resources

**Fire - 5 yrs**  
(Attachment I)

**CURRENT SYSTEM**  
MRA (2%) x Steps

**Firefighter (starting F18-1)**

FY	Yrs of Svc	Step	Base Salary	MRA	Steps
2014	1	1	50,942		
2015	2	2	54,559	2.0%	5.0%
2016	3	3	58,433	2.0%	5.0%
2017	4	4	62,581	2.0%	5.0%
2018	5	5	67,025	2.0%	5.0%
		TTL	293,540		

Difference  
21,994.97

**STRIVE**  
MRA (2%) or Steps Alternate

**Firefighter (starting F18-1)**

FY	Yrs of Svc	Step	Base Salary	MRA	Steps
2014	1	1	50,942		
2015	2	1	51,961	2.0%	
2016	3	2	54,559		5.0%
2017	4	2	55,650	2.0%	
2018	5	3	58,433		5.0%
		TTL	271,545		

**Firefighter @ Step 7 in 2014**

FY	Yrs of Svc	Step	Salary	MRA	Steps
2014	7	7	68,266		
2015	8	8	73,113	2.0%	5.0%
2016	9	8	74,575	2.0%	
2017	10	9	79,870	2.0%	5.0%
2018	11	9	81,468	2.0%	
		TTL	377,293		

Difference  
13,402.18

**Firefighter @ Step 7 in 2014**

FY	Yrs of Svc	Step	Salary	MRA	Steps
2014	7	7	68,266		
2015	8	7	69,632	2.0%	
2016	9	8	73,113		5.0%
2017	10	8	74,575	2.0%	
2018	11	9	78,304		5.0%
		TTL	363,890		

**Firefighter @ Step 9 with 10 yrs service in 2014**

FY	Yrs of Svc	Step	Salary	MRA	Steps
2014	10	9	75,266		
2015	11	9	76,771	2.0%	
2016	12	9	78,307	2.0%	
2017	13	9	79,873	2.0%	
2018	14	9	81,470	2.0%	
		TTL	391,688		

Difference  
6,265.16

**Firefighter @ Step 9 with 10 yrs service in 2014**

FY	Yrs of Svc	Step	Salary	MRA	Steps
2014	10	9	75,266		
2015	11	9	76,771	2.0%	
2016	12	9	76,771		
2017	13	9	78,307	2.0%	
2018	14	9	78,307		
		TTL	385,422		

**Firefighter @ Step 10 with 15 yrs service in 2014**

FY	Yrs of Svc	Step	Salary	MRA	Steps
2014	15	10	79,029		
2015	16	10	80,609	2.0%	
2016	17	10	82,221	2.0%	
2017	18	10	83,866	2.0%	
2018	19	10	85,543	2.0%	
		TTL	411,268		

Difference  
6,578.35

**Firefighter @ Step 10 with 15 yrs service in 2014**

FY	Yrs of Svc	Step	Salary	MRA	Steps
2014	15	10	79,029		
2015	16	10	80,609	2.0%	
2016	17	10	80,609		
2017	18	10	82,221	2.0%	
2018	19	10	82,221		
		TTL	404,689		

**Firefighter @ Step 11 with 20 yrs service in 2014**

FY	Yrs of Svc	Step	Salary	MRA	Steps
2014	20	11	82,981		
2015	21	11	84,641	2.0%	
2016	22	11	86,334	2.0%	
2017	23	11	88,060	2.0%	
2018	24	11	89,821	2.0%	
		TTL	431,837		

Difference  
6,907.37

**Firefighter @ Step 11 with 20 yrs service in 2014**

FY	Yrs of Svc	Step	Salary	MRA	Steps
2014	20	11	82,981		
2015	21	11	84,641	2.0%	
2016	22	11	84,641		
2017	23	11	86,334	2.0%	
2018	24	11	86,334		
		TTL	424,930		

**Police - 5 yrs**  
(Attachment I)

**CURRENT SYSTEM**  
MRA (2%) x Steps

**Police Officer I (starting O17-2)**

FY	Yrs of Svc	Step	Base Salary	MRA	Steps
2014	1	2	49,084		
2015	2	3	52,569	2.0%	5.0%
2016	3	4	56,301	2.0%	5.0%
2017	4	5	60,299	2.0%	5.0%
2018	5	6	67,655	2.0%	10.0%
		TTL	285,907		

Difference  
24,267.86

**STRIVE**  
MRA (2%) or Steps Alternate

**Police Officer I (starting O17-2)**

FY	Yrs of Svc	Step	Base Salary	MRA	Steps
2014	1	2	49,084		
2015	2	2	50,066	2.0%	
2016	3	3	52,569		5.0%
2017	4	3	53,620	2.0%	
2018	5	4	56,301		5.0%
		TTL	261,639		

**Police Officer I @ Step 7 in 2014**

FY	Yrs of Svc	Step	Salary	MRA	Steps
2014	6	7	65,778		
2015	7	8	70,449	2.0%	5.0%
2016	8	8	71,858	2.0%	
2017	9	9	76,959	2.0%	5.0%
2018	10	9	78,499	2.0%	
		TTL	363,543		

Difference  
12,913.75

**Police Officer I @ Step 7 in 2014**

FY	Yrs of Svc	Step	Salary	MRA	Steps
2014	6	7	65,778		
2015	7	7	67,094	2.0%	
2016	8	8	70,449		5.0%
2017	9	8	71,858	2.0%	
2018	10	9	75,450		5.0%
		TTL	350,629		

**Police Officer I @ Step 9 with 9 yrs service in 2014**

FY	Yrs of Svc	Step	Salary	MRA	Steps
2014	9	9	72,520		
2015	10	9	73,970	2.0%	
2016	11	9	75,449	2.0%	
2017	12	9	76,958	2.0%	
2018	13	9	78,498	2.0%	
		TTL	377,395		

Difference  
6,036.54

**Police Officer I @ Step 9 with 9 yrs service in 2014**

FY	Yrs of Svc	Step	Salary	MRA	Steps
2014	9	9	72,520		
2015	10	9	73,970	2.0%	
2016	11	9	73,970		
2017	12	9	75,449	2.0%	
2018	13	9	75,449		
		TTL	371,358		

**Police Officer I @ Step 10 with 15 yrs service in 2014**

FY	Yrs of Svc	Step	Salary	MRA	Steps
2014	15	10	76,146		
2015	16	10	77,669	2.0%	
2016	17	10	79,222	2.0%	
2017	18	10	80,806	2.0%	
2018	19	10	82,423	2.0%	
		TTL	396,265		

Difference  
6,338.38

**Police Officer I @ Step 10 with 15 yrs service in 2014**

FY	Yrs of Svc	Step	Salary	MRA	Steps
2014	15	10	76,146		
2015	16	10	77,669	2.0%	
2016	17	10	77,669		
2017	18	10	79,222	2.0%	
2018	19	10	79,222		
		TTL	389,927		

**Police Officer I @ Step 11 with 20 yrs service in 2014**

FY	Yrs of Svc	Step	Salary	MRA	Steps
2014	20	11	79,953		
2015	21	11	81,552	2.0%	
2016	22	11	83,183	2.0%	
2017	23	11	84,847	2.0%	
2018	24	11	86,544	2.0%	
		TTL	416,080		

Difference  
6,655.33

**Police Officer I @ Step 11 with 20 yrs service in 2014**

FY	Yrs of Svc	Step	Salary	MRA	Steps
2014	20	11	79,953		
2015	21	11	81,552	2.0%	
2016	22	11	81,552		
2017	23	11	83,183	2.0%	
2018	24	11	83,183		
		TTL	409,425		

S scale - 5 yrs  
(Attachment I)

CURRENT SYSTEM

MRA (2%) x Performance Increase (2.5%)  
Plumber I (S18: \$41133-\$54843-\$68555 in FY14)

Plumber I @ salary at Minimum of pay scale in 2014

FY	Base Salary	MRA	P4P
2014	41,133		
2015	43,005	2.0%	2.5%
2016	44,961	2.0%	2.5%
2017	47,007	2.0%	2.5%
2018	49,146	2.0%	2.5%
	225,252		

Difference  
11,194

STRIVE

MRA (2%) or Performance Increase (2%)  
Plumber I (S18: \$41133-\$54843-\$68555 in FY14)

Plumber I @ salary at Minimum of pay scale in 2014

FY	Base Salary	MRA	P4P
2014	41,133		
2015	41,956	2.0%	
2016	42,795		2.0%
2017	43,651	2.0%	
2018	44,524		2.0%
	214,058		

Plumber I @ salary between Min & Midpoint of pay scale in 2014

FY	Base Salary	MRA	P4P
2014	48,000		
2015	50,184	2.0%	2.5%
2016	52,467	2.0%	2.5%
2017	54,855	2.0%	2.5%
2018	57,351	2.0%	2.5%
	262,857		

Difference  
13,063

Plumber I @ salary between Min & Midpoint of pay scale in 2014

FY	Base Salary	MRA	P4P
2014	48,000		
2015	48,960	2.0%	
2016	49,939		2.0%
2017	50,938	2.0%	
2018	51,957		2.0%
	249,794		

Plumber I @ salary at Midpoint of pay scale in 2014

FY	Base Salary	MRA	P4P
2014	54,843		
2015	57,338	2.0%	2.5%
2016	59,947	2.0%	2.5%
2017	62,675	2.0%	2.5%
2018	65,527	2.0%	2.5%
	300,330		

Difference  
14,925

Plumber I @ salary at Midpoint of pay scale in 2014

FY	Base Salary	MRA	P4P
2014	54,843		
2015	55,940	2.0%	
2016	57,059		2.0%
2017	58,200	2.0%	
2018	59,364		2.0%
	285,405		

Plumber I @ salary between Midpoint & Maximum of pay scale in 2014

FY	Base Salary	MRA	P4P
2014	61,700		
2015	64,507	2.0%	2.5%
2016	67,442	2.0%	2.5%
2017	70,511	2.0%	2.5%
2018	73,719	2.0%	2.5%
	337,880		

Difference  
16,791

Plumber I @ salary between Midpoint & Maximum of pay scale in 2014

FY	Base Salary	MRA	P4P
2014	61,700		
2015	62,934	2.0%	
2016	64,193		2.0%
2017	65,477	2.0%	
2018	66,786		2.0%
	321,089		

**Fire - 25 yrs span**  
(Attachment II)

**CURRENT SYSTEM**  
MRA (2%) x Steps  
Firefighter (starting @ F18-1)

FY	Yrs of Svc	Step	Base Salary	MRA	Steps
2014	1	1	50,942		
2015	2	2	54,559	2.0%	5.0%
2016	3	3	58,433	2.0%	5.0%
2017	4	4	62,581	2.0%	5.0%
2018	5	5	67,025	2.0%	5.0%
2019	6	6	71,783	2.0%	5.0%
2020	7	7	76,880	2.0%	5.0%
2021	8	8	82,338	2.0%	5.0%
2022	9	8	83,985	2.0%	
2023	10	9	89,948	2.0%	5.0%
2024	11	9	91,747	2.0%	
2025	12	9	93,582	2.0%	
2026	13	9	95,454	2.0%	
2027	14	9	97,363	2.0%	
2028	15	10	104,275	2.0%	5.0%
2029	16	10	106,361	2.0%	
2030	17	10	108,488	2.0%	
2031	18	10	110,658	2.0%	
2032	19	10	112,871	2.0%	
2033	20	11	120,885	2.0%	5.0%
2034	21	11	123,303	2.0%	
2035	22	11	125,769	2.0%	
2036	23	11	128,284	2.0%	
2037	24	11	130,850	2.0%	
2038	25	11	133,467	2.0%	
<b>TOTAL PAY OVER 25 YEARS</b>			<b>2,381,830</b>	<b>(A)</b>	

**STRIVE**  
MRA (2%) or Steps Alternate  
Firefighter (starting @ F18-1)

FY	Yrs of Svc	Step	Base Salary	MRA	Steps
2014	1	1	50,942		
2015	2	1	51,961	2.0%	
2016	3	2	54,559		5.0%
2017	4	2	55,650	2.0%	
2018	5	3	58,433		5.0%
2019	6	3	59,601	2.0%	
2020	7	4	62,581		5.0%
2021	8	4	63,833	2.0%	
2022	9	5	67,025		5.0%
2023	10	5	68,365	2.0%	
2024	11	6	71,783		5.0%
2025	12	6	73,219	2.0%	
2026	13	7	76,880		5.0%
2027	14	7	78,417	2.0%	
2028	15	8	82,338		5.0%
2029	16	8	83,985	2.0%	
2030	17	10	92,384		10.0%
2031	18	10	94,231	2.0%	
2032	19	10	94,231		
2033	20	11	98,943		5.0%
2034	21	11	100,922	2.0%	
2035	22	11	100,922		
2036	23	11	102,940	2.0%	
2037	24	11	102,940		
2038	25	11	104,999	2.0%	
<b>TOTAL PAY OVER 25 YEARS</b>			<b>1,952,085</b>	<b>(B)</b>	

**TOTAL PAY OVER 25 YEARS**      **2,381,830**      **(A)**

**TOTAL PAY OVER 25 YEARS**      **1,952,085**      **(B)**

difference  
**(B)-(A)= \$ 429,745**  
**(B)/(A)= 82%**

**Police - 25 yrs span**  
(Attachment II)

**CURRENT SYSTEM**

MRA (2%) x Steps

Police Officer I (starting @ O17-2)

FY	Yrs of Svc	Step	Base Salary	MRA	Steps
2014	1	2	49,084		
2015	2	3	52,569	2.0%	5.0%
2016	3	4	56,301	2.0%	5.0%
2017	4	5	60,299	2.0%	5.0%
2018	5	6	67,655	2.0%	10.0%
2019	6	7	72,458	2.0%	5.0%
2020	7	8	77,603	2.0%	5.0%
2021	8	8	79,155	2.0%	
2022	9	9	84,775	2.0%	5.0%
2023	10	9	86,471	2.0%	
2024	11	9	88,200	2.0%	
2025	12	9	89,964	2.0%	
2026	13	9	91,763	2.0%	
2027	14	9	93,599	2.0%	
2028	15	10	100,244	2.0%	5.0%
2029	16	10	102,249	2.0%	
2030	17	10	104,294	2.0%	
2031	18	10	106,380	2.0%	
2032	19	10	108,507	2.0%	
2033	20	11	116,211	2.0%	5.0%
2034	21	11	118,536	2.0%	
2035	22	11	120,906	2.0%	
2036	23	11	123,325	2.0%	
2037	24	11	125,791	2.0%	
2038	25	11	128,307	2.0%	

**TOTAL PAY OVER 25 YEARS**

**2,304,646**

(A)

**STRIVE**

MRA (2%) or Steps Alternate

Police Officer I (starting @ O17-2)

FY	Yrs of Svc	Step	Base Salary	MRA	Steps
2014	1	2	49,084		
2015	2	2	50,066	2.0%	
2016	3	3	52,569		5.0%
2017	4	3	53,620	2.0%	
2018	5	4	56,301		5.0%
2019	6	4	57,427	2.0%	
2020	7	5	60,299		5.0%
2021	8	5	61,505	2.0%	
2022	9	6	67,655		10.0%
2023	10	6	69,008	2.0%	
2024	11	7	72,458		5.0%
2025	12	7	73,908	2.0%	
2026	13	8	77,603		5.0%
2027	14	8	79,155	2.0%	
2028	15	10	87,071		10.0%
2029	16	10	88,812	2.0%	
2030	17	10	88,812		
2031	18	10	90,588	2.0%	
2032	19	10	90,588		
2033	20	11	95,118		5.0%
2034	21	11	97,020	2.0%	
2035	22	11	97,020		
2036	23	11	98,960	2.0%	
2037	24	11	98,960		
2038	25	11	100,940	2.0%	

**TOTAL PAY OVER 25 YEARS**

**1,914,547**

(B)

difference

(B)-(A)= \$ 390,099

(B)/(A)= 83%

**S scale - 25 yrs span**  
(Attachment II)

**CURRENT SYSTEM**

MRA (2%) x Performance Increase (2.5%)  
Plumber I (S18: \$41133-\$54843-\$68555 in FY14)

FY	Yrs of Svc	Base Salary	MRA	P4P
2014	1	41,133		
2015	2	43,005	2.0%	2.5%
2016	3	44,961	2.0%	2.5%
2017	4	47,007	2.0%	2.5%
2018	5	49,146	2.0%	2.5%
2019	6	51,382	2.0%	2.5%
2020	7	53,720	2.0%	2.5%
2021	8	56,164	2.0%	2.5%
2022	9	58,720	2.0%	2.5%
2023	10	61,391	2.0%	2.5%
2024	11	64,185	2.0%	2.5%
2025	12	67,105	2.0%	2.5%
2026	13	70,158	2.0%	2.5%
2027	14	73,350	2.0%	2.5%
2028	15	76,688	2.0%	2.5%
2029	16	80,177	2.0%	2.5%
2030	17	83,825	2.0%	2.5%
2031	18	87,639	2.0%	2.5%
2032	19	91,627	2.0%	2.5%
2033	20	95,796	2.0%	2.5%
2034	21	100,155	2.0%	2.5%
2035	22	103,907	2.0%	2.5%
2036	23**	105,985	2.0%	
2037	24	108,104	2.0%	
2038	25	110,266	2.0%	

**Total Pay over 25 yrs 1,825,596 (A)**

**STRIVE**

MRA (2%) or Performance Increase (2%)  
Plumber I (S18: \$41133-\$54843-\$68555 in FY14)

FY	Yrs of Svc	Base Salary	MRA	P4P
2014	1	41,133		
2015	2	41,956	2.0%	
2016	3	42,795		2.0%
2017	4	43,651	2.0%	
2018	5	44,524		2.0%
2019	6	45,414	2.0%	
2020	7	46,322		2.0%
2021	8	47,249	2.0%	
2022	9	48,194		2.0%
2023	10	49,158	2.0%	
2024	11	50,141		2.0%
2025	12	51,144	2.0%	
2026	13	52,167		2.0%
2027	14	53,210	2.0%	
2028	15	54,274		2.0%
2029	16	55,360	2.0%	
2030	17	56,467		2.0%
2031	18	57,596	2.0%	
2032	19	58,748		2.0%
2033	20	59,923	2.0%	
2034	21	61,121		2.0%
2035	22	62,344	2.0%	
2036	23	63,591		2.0%
2037	24	64,863	2.0%	
2038	25	66,160		2.0%

**Total Pay over 25 yrs 1,317,502 (B)**

\*\*Employees receive only MRA after they reach Max of the pay scale

difference  
(B)-(A)= \$ 508,093  
(B)/(A)= 72%