

Montgomery County Public Schools

FY 2008 OPERATING BUDGET

Continuing Salaries

Continuing salaries will increase the FY 2008 Operating Budget by \$25,655,587. Below are details of the reasons for the increase.

Continuing Salaries

Changes in employee salaries are determined by negotiated agreements with three employee organizations:

Montgomery County Education Association (MCEA) representing teachers and other professional employees

SEIU Local 500 representing supporting services employees

Montgomery County Association of Administrative and Supervisory Personnel (MCAASP) representing administrators and supervisory employees

- Employees receive continuing salary increases related to seniority (steps and longevity). This increase includes \$42 million for scheduled annual increments for employees with satisfactory service who are still progressing along salary schedules and for teachers who accumulate sufficient graduate credits to move to a higher salary schedule lane.
- The continuing salaries total includes \$7.1 million required for the additional annual cost of negotiated salary increases that take effect mid-year in FY 2007.
- Included in net continuing salary costs is approximately \$26.3 million in lapse (savings resulting from short-term vacancies) and turnover (savings from replacing a senior employee with a lower-paid junior employee) savings based on historical experience. This amount is \$1.8 million higher in FY 2008 to reflect the higher level of total salaries.
- An additional \$2.8 million is required for associated social security and retirement payments related to continuing salary costs.
- The total budget increase for continuing salary costs and related benefits is \$25.6 million. The total includes \$15.1 million for MCEA, \$7.4 million for SEIU Local 500 and \$3.1 million for MCAASP.
- Continuing salaries increase the total budget by 1.4 percent and the budget for salaries and wages by 2.2 percent.

