SENATOR VICKERS: Yes.

SENATOR GOODRICH: They will not receive a raise for the
next four years if we don't pass something...(interruption.)

SENATOR VICKERS: Oh, in other words, you are talking about
the total of eight years.

SENATOR GOODRICH: There is a total of eight years that they
will have gone without a raise if we don't do something this
session. Now, if for example, we give them 5% per year for
four years starting now, that means we will have raised their
rates over this period a total of 20% but only...in other
words, when you put it 5% per year that means you have only
given them a half of 20% for the full four year period, right?

SENATOR VICKERS: I'm not sure I understand what you just got
through saying. Say it again.

SENATOR GOODRICH: Yes, if you only give them 5% the first
year it is just like compounding a loan. If you give them
5% the first year, 5% the second year, now at the end of two
years you have given them a total of 10%.

SENATOR VICKERS: You've given them a little bit more than that
when you compound it.

SENATOR GOODRICH: Well, roughly but we're rounding out figures
here. Now...

SENATOR VICKERS: My banker won't do that. Okay.

SENATOR GOODRICH: But anyhow, if you give them a total of
20% over a period of four years they have only had 10% of
it for the period of the four year period. Now you add the
other four year...

SENATOR VICKERS: The period would be an eight year period
you are talking about.

SENATOR GOODRICH: No, this is the four year that we are
talking about, the only 10%, full value of 10% for the full
four year period. You add...and consider for example, that
they now have gone eight years in getting that, then it cuts
it in half again. So the effect over an eight year period
of raising their salaries 20% is an average of 2.5%.

SENATOR VICKERS: Okay, I can understand that but I don't
think I can understand how a 20% in a four year period goes
back to a 10% increase in total. That must be new math. I
think I missed it.