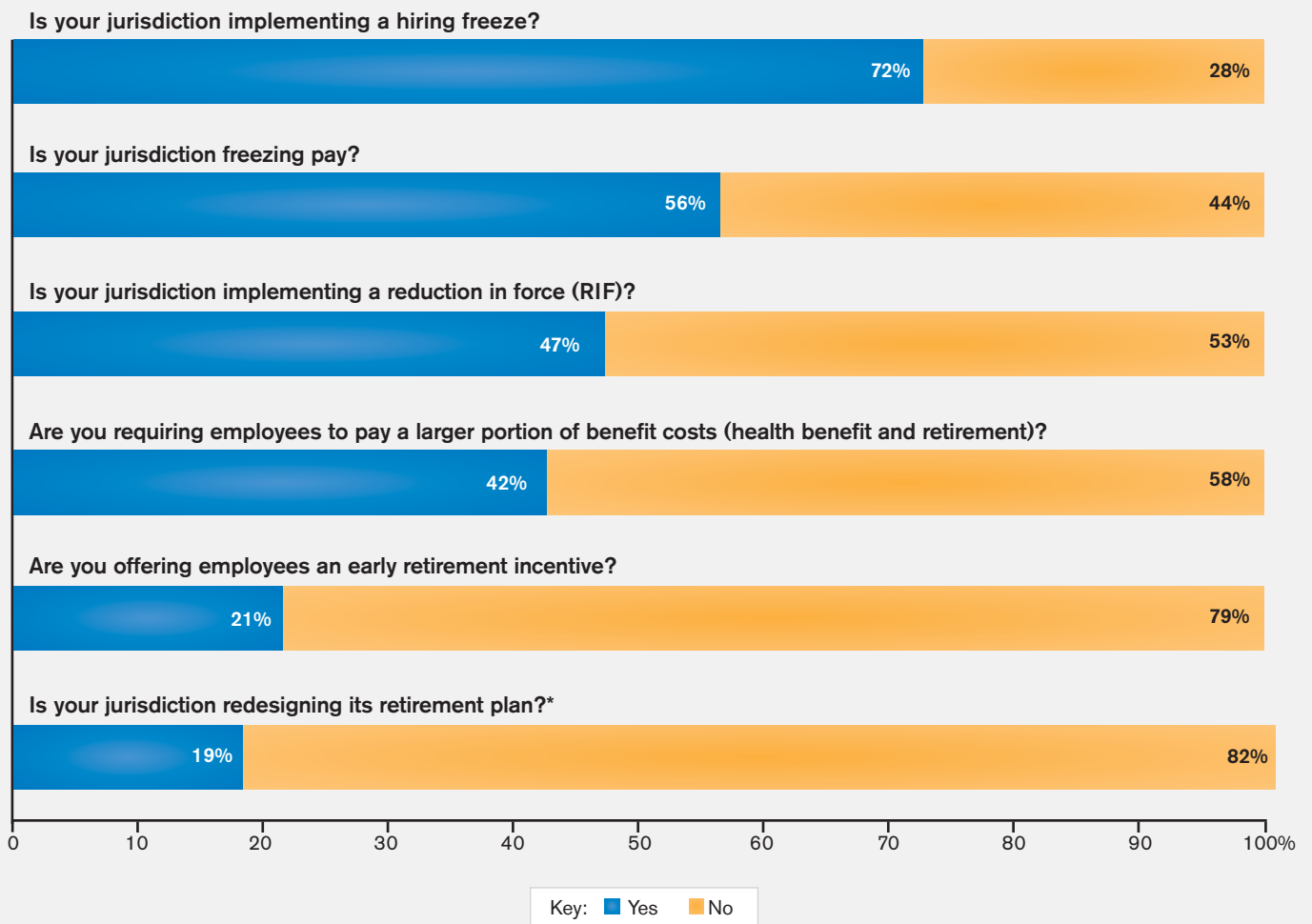


Managing Through Fiscal Stress: Results of an Online Survey

From February through May 2009, The Segal Company conducted a brief online survey about how state and local governments are responding to the recession. Representatives from more than 80 jurisdictions participated. The survey results are based on webinar attendees' responses and, although anecdotal, provide insight into how governments are responding to the economic downturn. Graph 1 shows the percentage of respondents using six strategies.

Graph 1: State and Local Governments' Responses to the Recession



* Total exceeds 100% due to rounding.

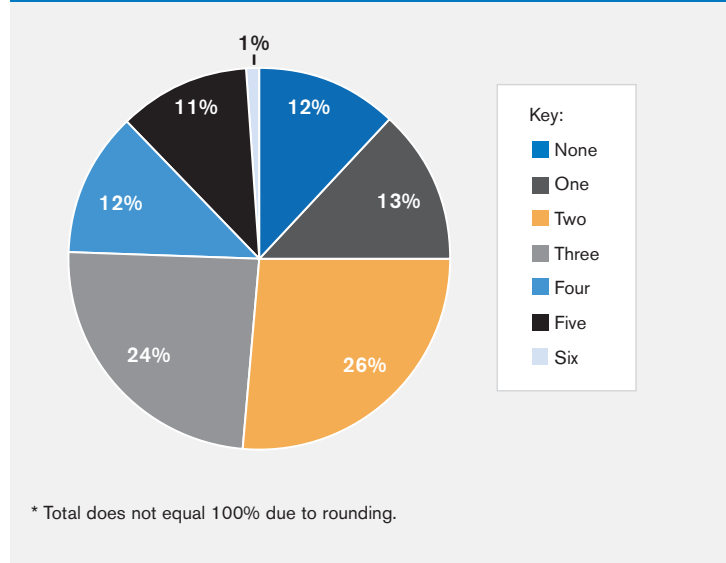
Many jurisdictions are taking multiple actions, as shown in Graph 2. Among these jurisdictions:

- About one-third (31 percent) are freezing pay AND instituting a RIF, which is asking employees to do more work for the same pay;
- About one-quarter (23 percent) are implementing both a pay freeze AND requiring employees to pay a larger share of benefits, which results in a pay cut; and
- Even more drastic, 15 percent of these organizations are implementing a pay freeze, requiring higher employee benefit contributions AND instituting a RIF, which is asking employees to do more work for less pay.

Some jurisdictions (12 percent) are not using any of the six strategies.



Graph 2: Percentage of Respondents Using the Strategies Noted in Graph 1 by Number of Strategies*



To discuss strategies for helping your jurisdiction manage through fiscal stress, contact one of the following experts:

- | | | | |
|--|--|---|---|
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The following page of Segal's Web site includes links to additional information on managing through fiscal stress: <http://www.segalco.com/managing-through-fiscal-stress/>