



PRINCE GEORGE'S COUNTY
COMPENSATION
REVIEW BOARD **2017-2018**

REPORT

PRINCE GEORGE'S COUNTY
2017-2018 COMPENSATION REVIEW BOARD

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PRINCE GEORGE'S COUNTY
2017-2018 COMPENSATION REVIEW BOARD
County Administration Building
Upper Marlboro, Maryland 20772

December 18, 2017

The Honorable Dannielle M. Glaros
Chair
Prince George's County Council
County Administration Building
Upper Marlboro, Maryland 20772

The Honorable Rushern L. Baker, III
County Executive
County Administration Building
Upper Marlboro, Maryland 20772

Dear Chair Glaros and County Executive Baker,

The 2017-2018 Prince George's County Compensation Review Board ("Board") has completed its work and herewith submits its recommendations. The members of the Board believe that the recommendations provide a fair and reasonable compensation package for the Prince George's County Council Members and County Executive who are to be elected at the November 2018 general election.

The Board undertook an extensive review of the compensation of similarly situated positions in several jurisdictions. Most notably, the Board studied the salary, benefits, and pensions of persons employed by Prince George's County, the Prince George's County Board of Education, the Washington Suburban Sanitary Commission (WSSC), the Maryland-National Capital Park and Planning Commission (M-NCPPC), neighboring counties, the State, and the Federal Government.

Further, the duties and responsibilities of the County Executive and the County Council Members were considered. The Board found that the demands on these positions, the level of executive decision-making, and the complexity of issues should be factored into the salaries of these positions.

Letter to Chair Glaros and
County Executive Baker
Page 2

Through its research, the Board found that the County Council Members in Montgomery County were currently paid higher with additional increases in salary approved for the next four years which would further widen the disparity between them and Prince George's Council Members. The County Executive of Montgomery County is currently paid lower than the County Executive in Prince George's County. The Chief Executive Officer of Prince George's County Public Schools and the General Manager of WSSC are paid significantly more than the County Executive. In addition, the Chair of the Prince George's County Planning Board is paid slightly less than the County Executive.

In closing, the Board looks forward to your acceptance of and concurrence with the Board's recommendations.

Respectfully submitted,



Camille A. Exum
Chair

Table of Contents

Transmittal Letter	Cover
Executive Summary	i-ii
Recommendations	iii-v
Report	1-7
Introduction.....	1-4
Salary History and Salary Setting Methodology	4
Consumer Price Index (CPI).....	4-5
Comparative County Data.....	5-6
Local and Regional Jurisdictions	6
Comparative State Data	6-7
Comparative Federal Data	7
Benefits	7
Pensions	7

Appendices

Compensation Review Board Bill (CB-70-2017)	A
Charter Provisions and State Law Regarding the Compensation Review Board .	B-1, B-2,
	B-3, B-4
Prince George's County Budget Overview.....	C
Compensation/Benefits Summary-Other Major County-Based Executive Leaders.....	D
Prince George's County Executive - Responsibilities and Duties.....	E-1
Prince George's County Council - Responsibilities and Duties	E-2

OHRM Compensation Review Board Letter and Attachments.....	F
Taxable Auto Program Documents.....	G
Prince George's County Council Member Salary History	H-1
County Executive and County Council Members Salary by Fiscal Year 2007-2018....	H-2
Prince George's County Government Chart of Compensation Changes for Employees Subject to Collective Bargaining and General Schedule.....	I
Salaries of County Council Members in Selected Jurisdictions, FY 2014-2017.....	J-1
County Executive Salary Comparable.....	J-2
Maryland State Government Structure Fiscal Year 2018	K
Salaries in the Federal Government Fiscal Year 2017.....	L
2017-2018 Compensation Review Board Resolution.....	M

2017-2018 COMPENSATION REVIEW BOARD REPORT
EXECUTIVE SUMMARY

- The Compensation Review Board consists of seven members.
- Section 10-302 and Section 10-303 of the Local Government I Article of the Annotated Code of Maryland and Charter Section 308 and Charter Section 406 authorized the appointment and set forth duties and responsibilities of the Compensation Review Board.
- The Compensation Review Board met from October 16, 2017 through December 11, 2017.
- The Compensation Review Board reviewed information on salary, benefits, and pensions that provide the basis for the recommendations of the Compensation Review Board.
- During Compensation Review Board meetings, the Board reviewed data regarding the compensation of County, State, and Federal officials, and selected officials from surrounding jurisdictions.
- The Chair of the County Council was interviewed by the Compensation Review Board. The interview provided the basis for determining position duties and responsibilities and commensurate compensation. The Compensation Review Board noted that the positions of the County Council Members are full-time based on the level of responsibility, complexity of issues, and level of time commitment and should be compensated accordingly. The Compensation Review Board is recommending that the Charter Review Commission review a Charter amendment to expressly provide that County Council positions are full-time.
- The Compensation Review Board recommends for County Council that the December 2017 base year salary (the final salary level for the current County Council) will be adjusted by the Consumer Price Index for All Urban Consumers (CPI-U), beginning on the first Monday in December 2018.
- In addition, County Council Members are recommended to receive a one-time salary adjustment in the amount of \$10,000 per annum that will be received in December 2018. This one-time adjustment is intended to offset the expected elimination of the automobile allowance, provided that the County Council enacts legislation in Legislative Year 2018 to repeal the benefit for Council Members.

2017-2018 COMPENSATION REVIEW BOARD REPORT
EXECUTIVE SUMMARY

- Further, for County Council Members payment in the amounts adjusted annually, beginning in year two (2019), in year three (2020) and in year four (2021) respectively, with an increase equal to the percentage equivalent to the percentage by which the Consumer Price Index for All Urban Consumers (CPI-U) for September shall have increased from the preceding September in each of year two, year three, and year four of the term. For any year the CPI-U is applied for salary adjustment purposes, should the CPI-U for any year reflect a decrease in the year-over-year rate, the salaries of the Members of the County Council shall remain at the previous year's salary level.
- The compensation of the Chair of the County Council shall be fixed at five percent (5%) per annum in excess of the compensation of the other Council Members during such person's term as Chair, and the compensation of the Vice-Chair of the County Council shall be fixed at two and one half percent (2.5%) per annum in excess of the compensation of the other Council Members during such person's term as Vice-Chair.
- Regarding the compensation of the County Executive, there is no increase in the County Executive's salary in December 2018, year one of the term. The County Executive's salary will remain at \$212,998, the same level established in December 2017.
- Compensation for the County Executive is in the amounts adjusted annually, beginning in year two (2019); in year three (2020); and in year four (2021), respectively, with an increase equal to the percentage equivalent to the percentage by which the Consumer Price Index for All Urban Consumers (CPI-U) for September shall have increased from the preceding September up to a maximum of \$3,000 in year two, year three and year four of the term. For any year the CPI-U is applied for salary adjustment purposes, should the CPI-U for any year reflect a decrease in the year-over-year rate, the salary of the County Executive shall remain at the previous year's salary level.
- Pursuant to State law, the Compensation Review Board is required to make recommendations regarding the amount of compensation not later than December 18, 2017. Pursuant to County law, the Council may, within ninety days of the receipt of the compensation review board's recommendation, amend the recommendation by a vote of not less than two-thirds of the full County Council otherwise the recommendation shall stand approved. Pursuant to State law, on receipt of a resolution, the County Council may reduce or reject the Commission's recommendation but may not increase any item.

2017-2018 COMPENSATION REVIEW BOARD REPORT RECOMMENDATIONS

Compensation Review Board Recommendations are Pursuant to Section 10-302 of the Local Government I Article of the Annotated Code of Maryland and Charter Section 308 of the Prince George's County Charter

County Council

It is the recommendation of the Compensation Review Board, that:

The members of the County Council shall receive compensation for the performance of their public duties under the Charter.

The December 2017 base year salary (the final salary level for the current County Council) be adjusted by the Consumer Price Index for All Urban Consumers (CPI-U), beginning on the first Monday in December 2018.

In addition, County Council Members receive a one-time salary adjustment in the amount of \$10,000 per annum that will be received in December 2018. This one-time adjustment is intended to offset the elimination of the automobile allowance, provided the County Council enacts legislation in Legislative Year 2018 to repeal the benefit for Council Members.

The amounts be adjusted annually, beginning in year two (2019), in year three (2020) and in year four (2021) respectively, with an increase equal to the percentage equivalent to the percentage by which the Consumer Price Index for All Urban Consumers (CPI-U) for September shall have increased from the preceding September. For any year the CPI-U is applied for salary adjustment purposes, should the CPI-U for any year reflect a decrease in the year-over-year rate, the salaries of the Members of the County Council shall remain at the previous year's salary level.

The compensation of the Chair of the County Council shall be fixed at five percent (5%) per annum in excess of the compensation of the other Council Members during such person's term as Chair, and the compensation of the Vice-Chair of the County Council shall be fixed at two and one half percent (2.5%) per annum in excess of the compensation of the other Council Members during such person's term as Vice-Chair.

The members of the Compensation Review Board voted unanimously (Favorable 7-0) on the above-referenced recommendations. (One member voted in the affirmative via telephone.)

2017-2018 COMPENSATION REVIEW BOARD REPORT RECOMMENDATIONS

Compensation Review Board Recommendations are Pursuant to Section 10-303 of the Local Government I Article of the Annotated Code of Maryland and Charter Section 406 of the Prince George's County Charter

County Executive

It is the recommendation of the Compensation Review Board, that:

The County Executive shall receive compensation for the performance of his public duties under the Charter.

There is no increase in the County Executive's salary in December 2018, year one of the term. The County Executive's salary will remain at \$212,998, the same level established in December 2017.

The amounts be adjusted annually, beginning in year two (2019); in year three (2020); and in year four (2021), respectively, with an increase equal to the percentage equivalent to the percentage by which the Consumer Price Index for All Urban Consumers (CPI-U) for September shall have increased from the preceding September up to a maximum of \$3,000 in each of year two, year three and year four of the term. For any year the CPI-U is applied for salary adjustment purposes, should the CPI-U for any year reflect a decrease in the year-over-year rate, the salary of the County Executive shall remain at the previous year's salary level.

The members of the Compensation Review Board voted unanimously (Favorable 7-0) on the above-referenced recommendations. (One member voted in the affirmative via telephone.)

COMPENSATION ENHANCEMENT PROPOSAL
December 2018 through December 2021

Recommendation

COUNTY EXECUTIVE

	Dec-17	Salary Base	\$ 212,998	\$ Value of Salary Increase
Salary	Dec-18	Salary to Remain at Dec. 2017 level	\$ 212,998	\$ -
	Dec-19	CPI-U - 2.5% Est. up to \$3000 max.	\$ 215,998	\$ 3,000
	Dec-20	CPI-U - 2.5% Est. up to \$3000 max.	\$ 218,998	\$ 3,000
	Dec-21	CPI-U - 2.5% Est. up to \$3000 max.	\$ 221,998	\$ 3,000

County Council Members

	Dec-17	Salary Base	\$ 120,347	<u>Council</u> <u>Members</u>	\$ Value of Salary Increase	<u>Council</u> <u>Chair</u>	<u>Council</u> <u>Vice Chair</u>	<u>Council</u> <u>2.5% Stipend</u>
Salary	Dec-18	CPI-U - 2.5% Est., plus \$10,000	\$ 133,356	\$ 133,356	\$ 13,009	\$ 140,023	\$ 136,690	
	Dec-19	CPI-U - 2.5% Est.	\$ 136,690	\$ 136,690	\$ 3,334	\$ 143,524	\$ 140,107	
	Dec-20	CPI-U - 2.5% Est.	\$ 140,107	\$ 140,107	\$ 3,417	\$ 147,112	\$ 143,609	
	Dec-21	CPI-U - 2.5% Est.	\$ 143,609	\$ 143,609	\$ 3,503	\$ 150,790	\$ 147,200	

Notes:

- 1 For any year where CPI-U is applied for salary adjustment purposes, should the CPI-U for any year reflect a decrease in the year-over-year rate, the salaries for the County Executive and the Members of the County Council shall remain at the previous year's salary level.
- 2 The recommended \$10,000 additional salary adjustment in December 2018 for Council Members is intended to offset the expected elimination of the automobile allowance, provided that the County Council enacts legislation in Legislative Year 2018 to repeal the benefit for Council Members.

2017-2018 COMPENSATION REVIEW BOARD REPORT

Introduction

The Compensation Review Board consists of seven members.¹ CB-70-2017 authorized the appointment of the Compensation Review Board, the composition of the Board, and the duties and responsibilities of the Board. Section 10-302 and Section 10-303 of the Local Government I Article of the Annotated Code of Maryland and Section 308 and Section 406 of the Charter for Prince George's County set forth the statutory framework for the work of the Compensation Review Board.²

Information referenced in this 2017-2018 Compensation Review Board Report ("Report") regarding salary, benefits, and pensions provide the basis for the recommendations of the Compensation Review Board. During Compensation Review Board meetings, the Board reviewed data regarding salary history and salary setting methodology, changes in the Consumer Price Index, comparable County, local, and regional jurisdiction data, as well as comparable State and Federal data.

The result of this study is reflected in the recommendations contained herein. Data for the Board's review was gathered by Legislative Branch staff assigned to the Compensation Review Board and the Office of Human Resources Management, Office of Finance, Fleet Management of the Office of Central Services, and the Office of Management and Budget.

The Compensation Review Board received a fiscal briefing by the Director of the Office of Management and Budget.³ The briefing consisted of a review of the Fiscal Year 2017 and Fiscal Year 2018 Operating Budgets, including All Funds and General Fund overviews, Fiscal Year 2019 Preliminary Revenue Projections, a six year (Fiscal Year 2018 - Fiscal Year 2024) County Source Revenues and Expenditures forecast, and a review of the Fiscal Year 2018 Capital Improvement Program.

Generally, the information gathered on salaries for the County Executive and County Council Members demonstrated that their salaries range from lower to more than comparable to that of other jurisdictions, in particular, Montgomery County and the District of Columbia, which have similar demographics and job responsibilities. For these three jurisdictions, the County Executive from Prince George's County leads the County Executive of Montgomery County and the Mayor of the District of Columbia in compensation. Further, for these three jurisdictions, the

¹ See Appendix A. Appointment bill (CB-70-2017).

² See Appendix B-1 for Section 10-302 and Appendix B-2 for Section 10-303 respectively, of the Local Government I Article of the Annotated Code of Maryland and see Appendix B-3 for Charter Section 308 and Appendix B-4 for Charter Section 406.

³ See Appendix C. Prince George's County Budget Overview, November 13, 2017.

County Council Members from Prince George's County lag behind the members of the Montgomery County Council and the City Council of the District of Columbia.

Of note is the job responsibility for fiscal oversight of a Fiscal Year 2018 \$3.9 billion County Operating Budget (all funds), which is comparable in many respects to the fiscal management responsibilities of a corporate Chief Executive Officer (CEO). However, the County is not able to compensate the County Executive and Council Members on the same level as the corporate CEO due to limited monetary resources.

Further, we have provided a compensation and benefit summary of other major senior executive leaders for which the County Executive and County Council Members have some level of oversight and/or fiscal responsibility.⁴ These leaders include: the Chief Executive Officer of the Prince George's County Public Schools, the General Manager of the Washington Suburban Sanitary Commission (WSSC) and the Chair of the Prince George's County Planning Board of the Maryland-National Capital Park and Planning Commission (M-NCPPC).

The Fiscal Year 2018 Operating Budget for the County is \$3.9 billion. The Fiscal Year 2018 Operating Budget for Prince George's County Public Schools is \$1.98 billion. The Fiscal Year 2018 Operating Budget for WSSC is \$741.2 million and its Capital Budget is \$685.5 million for a total of \$1.4 billion. The Fiscal Year 2018 Operating Budget for MNCPPC is \$335.9 million and its Capital Budget is \$49.0 for a total of \$384.9 million. Fiscal Year 2018 Capital Budget appropriations for Prince George's County total \$625.3 million and for Prince George's County Public Schools total \$166.3 million. The County Council Members and the County Executive have oversight and/or fiscal responsibility for the County and for each of these entities.

The Chairman of the County Council was interviewed by the Compensation Review Board to evaluate County Council Member duties and responsibilities and to determine how these items factor into the salaries for these positions. The Compensation Review Board found that the demands on the positions were extensive. The level of executive decision-making, the complexity of issues addressed and the impact of these decisions on the County and its residents require substantial time commitments and expertise.⁵

It is quite clear that the County Council Members work full-time as they maintain their County offices for citizen services, as well as work diligently and tirelessly on County Council legislation and public policy matters. Further, County Council Members, as a body, sit as the District Council for zoning and land use matters and as the Board of Health. Moreover, the Chair and Vice-Chair of the County Council carry out additional responsibilities on a County, State, and regional level.

⁴ See Appendix D. Compensation/Benefits Summary – Other Major County-Based Senior Executive Leaders, dated November 9, 2017.

⁵ See Appendix E-1. Prince George's County Executive - Responsibilities and Duties and Appendix E-2 Prince George's County Council Members – Responsibilities and Duties

The Compensation Review Board took into consideration the historical perspective that County Council Members were once viewed as being employed part-time. The Compensation Review Board made it clear that County Council Members are employed full-time and this is taken into consideration when making compensation recommendations. The Compensation Review Board recommends that the Charter Review Commission review an amendment to the Charter to provide that County Council Members hold full-time positions as legislators.

In light of additional responsibilities, the Compensation Review Board is recommending that the Council Chair receive additional compensation in the amount of five percent (5%) per annum in excess of compensation of other members during their term as Council Chair and the Council Vice-Chair receive additional compensation in the amount of two and one-half percent (2.5%) per annum in excess of compensation of other members during their term as Council Vice-Chair.

Also, the Compensation Review Board acknowledges the key role staff plays in the work of the County Executive and the County Council. Adequate staffing is essential to the execution of these executive and legislative functions. This is particularly true for the additional staffing used to assist with County, regional and State level activities. The proper level of staffing support is essential to maintain a high level of effectiveness in legislative and policy matters.

The Director of the Office of Human Resources Management briefed the Compensation Review Board on the executive level benefits. Executive benefits received by the County Council Members and the County Executive include: the Taxable Auto Program, health insurance, executive life insurance, and executive long term disability insurance. Pension benefits are also offered to the County Council Members and the County Executive.⁶

Further, the Compensation Review Board was briefed by the Director of the Office of Finance and the Fleet Manager of the Office of Central Services on the Taxable Auto Program.⁷ Several options available to Council Members and the County Executive for county vehicle use or personal vehicle use were reviewed.

The Director of Finance and the Fleet Manager provided background information on the Taxable Auto Program for Elected Officials and summarized the four options allowable for vehicle use. The four options are: (1) Work Day Use, (2) Mileage Reimbursement, (3) Take Home Assignment, and (4) Automobile Allowance.

⁶ See Appendix F. OHRM Compensation Review Board, letter and attachments, dated October 30, 2017.

⁷ See Appendix G. Taxable Auto Program documents, dated November 13, 2017.

The Director of Finance pointed out that the reimbursement rate for the County is set at 36 cents per mile, which is set through the County's annual budget adoption. The IRS 2017 Standard Mileage Rate is 53.5 cents per mile for business miles driven. The Director of Finance recommended that the County implement the IRS reimbursement rate. The Director of the Office of Management and Budget indicated that the increase in rate would have a minimal fiscal impact.

The Compensation Review Board recommends for County Council Members to receive a one-time salary adjustment in the amount of \$10,000 per annum that will be received in December 2018. This one-time adjustment is intended to offset the expected elimination of the automobile allowance, provided that the County Council enacts legislation in Legislative Year 2018 to repeal the benefit for Council Members.

The following text and the referenced Appendices provide greater detail for the documents reviewed by the Compensation Review Board. The Compensation Review Board developed its findings based on these considerations.

Salary History and Salary Setting Methodology

The Board considered salary history data of the County Council Members and the County Executive.⁸ County Council Member salaries rose from \$ 117,347 in 2016 to \$ 120,347 in 2017. The salary of the County Executive rose from \$209,998 in 2016 to \$212,998 in 2017.

A similar methodology has been used to increase salary over time; namely, in the first year of a term the base salary is adjusted upward and in the subsequent years, salaries are increased by the annual change in the Consumer Price Index (CPI). For example, for County Council Members, in each of the years following the base adjustment year at the beginning of a Council Member's term, the salary increases are based on the CPI annual increases. From 1985 to 1986, the salary base increased from \$31,930 to \$40,000; from 2001 to 2002, the salary base increased from \$56,803 to \$70,000; from 2005 to 2006, the salary base increased from \$75,307 to \$89,000; and in 2009 and 2010, the base salaries were not increased due to the economic downturn and the negative CPI. From 2013 to 2014, the salary base increased from \$103,716 to \$108,900.

Consumer Price Index (CPI)

Historically, in Prince George's County, increases in County Council and County Executive salaries have been based, in whole or in part, on the annual change in the Consumer Price Index for All Urban Consumers - Washington-Baltimore, DC-MD-VA-WV Metropolitan Area. (CPI-U) The Compensation Review Board accepted the recommendation for a CPI-U that

⁸ See Appendix H-1 and H-2, respectively for historical salary data. See Appendix H-1 for Prince George's County Council Member Salary History and Appendix H-2 for the County Executive and County Council Members Salary by Fiscal Year, 2007-2018.

will increase for each year of the four year term in the estimated amount of 2.5%. Similarly, Montgomery County salaries of the County Council Members and the County Executive have previously been tied to the annual change in the CPI-U.

The Compensation Review Board is recommending that for the County Executive, a CPI-U related adjustment capped at \$3,000 is in three of the four years of the term and for the County Council Members, a CPI-U related adjustment is in each of the four years of the term. The Compensation Review Board is recommending that for anywhere the CPI-U is applied for salary adjustment purposes, should the CPI-U for any year reflect a decrease in the year-over-year rate, the salaries for the County Executive and the Members of the County Council shall remain at the previous year's salary level.

Comparative County Data

Salaries enhancements of employees of Prince George's County were evaluated and compared to the salaries of the County Council Members and the County Executive. Specifically, the Compensation Review Board reviewed comparative compensation data regarding General Schedule Employees and Collective Bargaining Unit Employees salaries from Fiscal Year 2016 to Fiscal Year 2018.⁹

In Fiscal Year 2016 through Fiscal Year 2018, sworn police received a Cost of Living Adjustment (COLA) in the amount 1.0% in Fiscal Year 2016; an increment of 3.5% in each fiscal year but was paid on a delayed basis, with the Fiscal Year 2016 increment paid in Fiscal Year 2017 and the Fiscal Years 2017 and 2018 increment paid in Fiscal Year 2018.

During the same period, Fiscal Year 2016 through Fiscal Year 2018, sworn fire received a COLA in the amount of 1.0% in Fiscal Year 2016, 2.0% in Fiscal Year 2017, and 2.0% in Fiscal Year 2018. Also, sworn fire received a 3.5% increment for each of the fiscal years, but was paid on a delayed basis, with the Fiscal Year 2016 increment paid in Fiscal Year 2017 and the Fiscal Years 2017 and 2018 increment paid in Fiscal Year 2018. The maximum rate scale increased 3.5%.

Similarly, General Schedule employees, during the same period, Fiscal Year 2016- Fiscal Year 2018, received a 3.0% COLA in Fiscal Year 2017 and a 1.0% COLA in Fiscal Year 2018, and received a 2017 increment paid in Fiscal Year 2018. These increases are slightly less than the salary increases for County Council Members and the County Executive for the same period.

⁹ See Appendix I. Prince George's Government. Chart of Compensation Changes for Employees Subject to Collective Bargaining and General Schedule, dated December 4, 2017.

Salaries of other County major senior executive leaders were also evaluated.¹⁰ The compensation of these leaders was, in most part, significantly higher than the compensation for the County Executive. The Prince George's County Executive was paid \$209,998 as of December 2016.

Comparatively, the Chief Executive Officer of the Prince George's County Public Schools is paid an annual salary of \$299,937, and an additional deferred compensation package in the amount of 71,000, a 3.5% COLA on 7-1-18, annual bonus eligibility of up to 10%, pension, health benefits, life insurance and automobile benefits in the form of a driver and security.

The General Manager of the Washington Suburban Sanitary Commission is paid an annual salary of \$261,414 and an additional deferred compensation package in the amount of \$24,000, a COLA which is the same as WSSC employees, annual bonus eligibility of up to 10%, pension, health benefits, life insurance and automobile benefits in the form of a \$12,000 allowance.

The Chairperson of the Prince George's County Planning Board is paid an annual salary of \$212,353 and receives additional compensation in the form of a periodic COLA, pension, health benefits, life insurance and automobile benefits that are unused by the current Chairperson.

Local and Regional Jurisdictions

Salaries in selected local and regional jurisdictions were evaluated.¹¹ In 2017, the Mayor of the District of Columbia made \$200,000 and the County Executive of Montgomery County made \$195,750 compared to \$212,998 made by the County Executive of Prince George's County.

In 2017, the salary for Council Members in the District of Columbia was \$137,144 and the Council Members in Montgomery County was \$136,258, compared to \$120,347 made by County Council Members in Prince George's County. By comparison, in 2017, the salary for Council Members from Baltimore City was \$68,000, Baltimore County was \$62,500 and Fairfax County, Virginia was \$95,000.

Comparative State Data

The Compensation Review Board considered the salaries of the State elected officials and top level State executives. Members of the Maryland General Assembly, who sit in Legislative

10 See Appendix D. Compensation/Benefits – Other Major County-Based Major Senior Executive Leaders, dated November 9, 2017.

11 See Appendix J-1 Salaries of County Council Members in Selected Jurisdictions, Fiscal Years 2014-2017. See Appendix J-2 County Executive Salary Comparable.

Session three months per year, are currently paid \$50,330, and the Speaker of the House and the President of the Senate are paid \$65,371. Executive level State position salaries range from \$79,953 to \$177,977. The Lieutenant Governor, Comptroller of the Treasury, Treasurer, and Attorney General are paid \$149,500 and the Governor is paid \$180,000.¹²

Comparative Federal Data

Salaries in the Federal Government sector were also considered. Congressional pay is \$174,000. The Speaker of the House is paid \$223,500. Majority and minority leaders in the House and the Senate are paid \$193,400. A GS-15 in the WashDCMetro area is paid from \$103,672 to \$134,776. Persons in the Senior Executive Service are paid between \$124,406 and \$187,000. Persons in the Executive Schedule are paid from \$151,700 to \$207,800. The Vice President is paid \$240,100. The President is paid \$400,000.¹³

Benefits

The Office of Human Resources Management briefed the Compensation Review Board on the benefits for elected officials. CR-78-2001 was identified as containing the specific benefits offered to executive staff including elected officials. The Compensation Review Board did not recommend any changes to the current benefits package.

Pensions

The Office of Human Resources Management briefed the Compensation Review Board on the pension plans available for elected officials. The Board discussed the ten year vesting requirement for the Maryland State Pension System and the County General Schedule Supplemental Pension Plan. It was noted that elected officials who are term limited may not be able to vest with only one term or with two terms and without sufficient service credit. The ICMA 401 Defined Contribution Plan and the County contribution rate were discussed. The Compensation Review Board did not recommend any changes to the current pension benefits package.

¹² See Appendix K. Maryland State Government Structure, Fiscal Year 2018.

¹³ See Appendix L. Salaries in the Federal Government, Fiscal Year 2017.

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND

2017 Legislative Session

Bill No. CB-70-2017
Chapter No. 44
Proposed and Presented by Council Member Davis
Introduced by Council Member Davis
Co-Sponsors _____
Date of Introduction June 20, 2017

BILL

1 AN ACT concerning
2 2017-2018 Compensation Review Board
3 For the purpose of establishing a Compensation Review Board to study the rate of current
4 compensation for Council members and the County Executive and making recommendations
5 regarding the amount of compensation in accordance with state and local laws, and generally
6 relating to the Compensation Review Board.

7 WHEREAS, State and County law provide for the appointment of a Compensation Review
8 Board; and

9 WHEREAS, Section 10-302, Local Government I, Annotated Code of Maryland provides
0 that by ordinance, a county may establish a commission to recommend compensation and
1 allowances for members of the county legislative body; and

2 WHEREAS, Section 10-303, Local Government I, Annotated Code of Maryland provides
3 that the county may set the qualifications, term of office, and compensation for the county
4 executive; and

5 WHEREAS, Charter Section 308 and Charter Section 406 require that a compensation
6 review board be appointed by the Council and the County Executive not later than December 15
7 of the last year of the term to study the rate of current compensation for Council members and
8 the County Executive and make a recommendation regarding the amount of compensation; and
9 the Council may, within ninety days of the receipt of the compensation review board's
0 recommendation, amend the recommendation by a vote of not less than two-thirds of the full
1 Council, otherwise the recommendation shall stand approved; and

1 WHEREAS, Section 2-110.01 of the Prince George's County Code contains the current
2 provisions for the compensation of the Council members and Section 2-112.01 of the Prince
3 George's County Code contains the current provisions for the compensation of the County
4 Executive; and therefor,

5 SECTION 1. BE IT ENACTED by the County Council of Prince George's County,
6 Maryland, that the 2017-2018 Compensation Review Board is hereby created.

7 SECTION 2. BE IT FURTHER ENACTED that the 2017-2018 Compensation Review
8 Board shall consist of seven (7) citizens, three (3) appointed by the County Executive and three
9 (3) appointed by the County Council and one (1) Chairperson, who shall be jointly agreed upon
10 by the County Executive and the Chairman of the County Council.

11 SECTION 3. BE IT FURTHER ENACTED that the 2017-2018 Compensation Review
12 Board shall consist of the following seven citizens: Earl Adams, Jr., Esquire, Dr. Jacqueline L.
13 Brown, M.H. Jim Estepp, appointed by the County Council, Rosie Allen-Herring, Thomas H.
14 Graham, Joseph R. Hamlin, appointed by the County Executive; and Chairperson Camille A.
15 Exum, jointly agreed upon by the County Executive and the Chairperson of the County Council.

16 SECTION 4. BE IT FURTHER ENACTED that pursuant to Section 10-302, Local
17 Government I, Annotated Code of Maryland, within 15 days after the beginning of the fourth
18 year of the term, a commission established under this section, by resolution, shall submit to the
19 county legislative body its recommendation for the compensation and allowances for members of
20 the county legislative body.

21 SECTION 5. BE IT FURTHER ENACTED that pursuant to Section 10-302, Local
22 Government I, Annotated Code of Maryland, the commission may recommend an increase or
23 decrease in the compensation and allowances for members of the county legislative body, but it
24 may not be less than provided in the county charter. On receiving the Board's resolution, the
25 county legislative body may reduce or reject the commission's recommendation, but may not
26 increase any item. Any change in the compensation and allowances of members of the county
27 legislative body shall be enacted by ordinance before the election for the members of the next
28 succeeding county legislative body and take effect only for the members of the next succeeding
29 county legislative body.

30 SECTION 6. BE IT FURTHER ENACTED pursuant to Section 10-303, Local Government
31 I, Annotated Code of Maryland provides that the county may set the qualifications, term of

1 office, and compensation for the county executive; and the 2017-2018 Compensation Review
2 Board shall study the current compensation for the County Council and the County Executive
3 and shall make recommendations regarding such compensation.

4 SECTION 7. BE IT FURTHER RESOLVED that the County Council shall provide
5 appropriate staff and clerical support for the 2017-2018 Compensation Review Board.

6 SECTION 8. BE IT FURTHER RESOLVED that the appointees to the 2017-2018
7 Compensation Review Board will also serve as members of the 2017-2018 Charter Review
8 Commission.

9 SECTION 9. BE IT FURTHER ENACTED that the provisions of this Act are hereby
10 declared to be severable; and, in the event that any section, subsection, paragraph, subparagraph,
11 sentence, clause, phrase, or word of this Act is declared invalid or unconstitutional by a court of
12 competent jurisdiction, such invalidity or unconstitutionality shall not affect the remaining
13 words, phrases, clauses, sentences, subparagraphs, paragraphs, subsections, or sections of this
14 Act, since the same would have been enacted without the incorporation in this Act of any such
15 invalid or unconstitutional word, phrase, clause, sentence, paragraph, subparagraph, subsection,
16 or section.

17 SECTION 10. BE IT FURTHER ENACTED that this Act shall take effect forty-five (45)
18 calendar days after it becomes law .

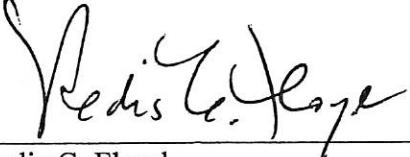
Adopted this 18th day of July , 2017.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY:


Derrick Leon Davis
Chairman

ATTEST:

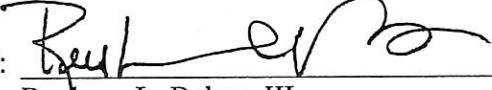

Redis C. Floyd
Clerk of the Council

APPROVED:

DATE:

8-2-2017

BY:


Rushern L. Baker, III
County Executive



Prince George's County Council

Agenda Item Summary

Meeting Date: 7/18/2017

Effective Date: 9/18/2017

Reference No.: CB-070-2017

Chapter Number: 44

Draft No.: 1

Public Hearing Date: 7/18/2017 @ 10:00 AM

Proposer(s): Davis

Sponsor(s): Davis

Item Title: AN ACT CONCERNING THE COMPENSATION REVIEW BOARD for the purpose of establishing a Compensation Review Board to study the rate of current compensation for Council Members and the County Executive and making recommendations regarding the amount of compensation in accordance with state and local laws, and generally relating to the Compensation Review Board.

Drafter: Kathleen H. Canning, Legislative Officer

Resource Personnel: Karen T. Zavakos, Legislative and Zoning Counsel
Colette Gresham, Legislative Officer

LEGISLATIVE HISTORY:

Date:	Acting Body:	Action:	Sent To:
06/20/2017	COW	Favorably recommended	County Council
Action Text: A motion was made by Vice Chair Glaros, seconded by Council Member Taveras, that this Council Bill be Favorably recommended to the County Council. The motion carried by the following vote:			
Aye: 7 Davis, Glaros, Franklin, Harrison, Patterson, Taveras and Toles			
Absent: 2 Lehman and Turner			
06/20/2017	County Council	presented and referred	COW
Action Text: This Council Bill was presented by Council Member Davis and referred to the Committee of the Whole			
06/20/2017	County Council	introduced	
Action Text: This Council Bill was introduced by Council Member Davis			
07/18/2017	County Council	public hearing held	
Action Text: The public hearing was held for this Council Bill.			
07/18/2017	County Council	enacted	

Action Text:

A motion was made by Council Member Turner, seconded by Council Member Harrison, that this Council Bill be enacted. The motion carried by the following vote:

Aye: 9 Davis, Glaros, Franklin, Harrison, Lehman, Patterson, Taveras, Toles and Turner

08/02/2017 County Executive signed

Action Text:

This Council Bill was signed

AFFECTED CODE SECTIONS:

BACKGROUND INFORMATION/FISCAL IMPACT:

This bill establishes a Compensation Review Board to study the rate of current compensation for Council members and the County Executive. The Compensation Review Board will make recommendations regarding the amount of compensation in accordance with state and local laws.

Section 308 and Section 406 of the County Charter require that a compensation review board be appointed, not later than December 15 of the last year of each term, by the County Council and the County Executive. In addition, Sections 10-302 and 10-303, Local Government I, Annotated Code of Maryland, set forth certain additional procedural prescriptions that must be followed in order to establish a commission to recommend rates of compensation and allowances for members of the County legislative body. This bill will appoint a Compensation Review Board in accordance with the prescriptions of state and local laws. The appointees nominated to this Board are intended to also serve as members of the Charter Review Commission.

Document(s): B2017070, CB-70-2017 AIS.pdf

Statute Text

Article - Local Government

§10-302.

(a) By ordinance, a county may establish a commission to recommend compensation and allowances for members of the county legislative body.

(b) (1) Within 15 days after the beginning of the fourth year of the term, a commission established under this section, by resolution, shall submit to the county legislative body its recommendation for the compensation and allowances for members of the county legislative body.

(2) Subject to subsection (e) of this section, the commission may recommend an increase or decrease in the compensation and allowances for members of the county legislative body.

(c) On receiving the resolution, the county legislative body may reduce or reject the commission's recommendation, but may not increase any item.

(d) Any change in the compensation and allowances of members of the county legislative body shall be enacted by ordinance before the election for the members of the next succeeding county legislative body and take effect only for the members of the next succeeding county legislative body.

(e) The compensation or allowances for members of the county legislative body of a charter county may not be less than provided in the county charter.

Statute Text

Article - Local Government

§10-303.

- (a) If a county executive is authorized, the county may set the qualifications, term of office, and compensation for the county executive.
- (b) A county may provide for the appointment and removal of all county officers except those whose appointment or election is provided for by the Maryland Constitution or public general law.
- (c) A county legislative body may enact local laws to:
 - (1) prevent conflicts between the private interests and public duties of county officers and members of the county legislative body;
 - (2) govern the conduct and actions of all county officers and members of the county legislative body in the performance of their public duties; and
 - (3) provide for penalties, including removal from office, for a violation of the local laws or any regulations adopted under the local laws.
- (d) A county may provide for a merit system governing the appointment of county officials and employees not elected or appointed under the Maryland Constitution or public general law.

APPENDIX B-3

Section 308. - Compensation.

The compensation of Council members may be changed by an affirmative vote of not less than two-thirds of the members of the Council. Not later than December 15 of the last year of each term, a compensation review board shall be appointed by the Council and the County Executive to study the rate of current compensation for Council members and the County Executive and make a recommendation regarding the amount of compensation. The board shall issue its recommendation not later than the following February 15. The Council may, within ninety days of the receipt of the compensation review board's recommendation, amend the recommendation by a vote of not less than two-thirds of the full Council, otherwise the recommendation shall stand approved. Any increase or decrease in compensation which becomes law during one term of office shall not become effective before the next term.

(Amended, CB-114-1986, ratified Nov. 4, 1986; Amended, CB-70-2002, ratified Nov. 5, 2002)

Editor's note— Section 2-110.01 of the County Code contains the current provisions for compensation of Council Members.

APPENDIX B-4

Section 406. - Compensation.

The County Executive's compensation may be changed by an affirmative vote of not less than two-thirds of the members of the Council. Not later than December 15 of the last year of each term, a compensation review board shall be appointed by the Council and the County Executive to study the rate of current compensation for the Council and the County Executive and make a recommendation regarding the amount of compensation. The board shall issue its recommendation not later than the following February 15. The Council may, within ninety days of the receipt of the compensation review board's recommendation, amend the recommendation by a vote of not less than two-thirds of the full Council, otherwise the recommendation shall stand approved. Any increase or decrease in compensation which becomes law during one term of office shall not become effective before the next term.

(Amended, CB-70-2002, ratified Nov. 5, 2002)



Rusheen L. Baker, III
County Executive

**PRESERVATION TO THE PRINCE GEORGE'S COUNTY
COMPENSATION REVIEW BOARD:**

Prince George's County Budget Overview

OFFICE OF MANAGEMENT AND BUDGET
NOVEMBER 13, 2017

AGENDA

- All Funds Summary
- General Fund Overview (FY 2016 – FY 2018)
- FY 2019 Preliminary Revenue Forecast
- Six Year Forecast
- Capital Improvement Program and Budget
- Conclusion

ALL FUNDS FISCAL SUMMARY

- The Approved FY 2018 Budget for all funds is \$3.88 billion, an increase of \$164.0 million 4.4% or over the FY 2017 Budget. The General Fund, which accounts for approximately 83.9% of all spending in FY 2018 and totals \$3.25 billion. This is an increase of \$134.6 million or 4.3% over the FY 2017 budget level.

All Funds Summary

	FY 2016 ACTUAL	FY 2017 BUDGET	FY 2017 UNAUDITED	FY 2018 APPROVED	CHANGE FY17 - FY18
REVENUES					
General Fund	\$2,996,849,634	\$3,116,934,200	\$3,187,082,398	\$3,251,537,400	4.3%
Internal Service Funds	39,773,357	44,121,900	42,561,516	51,762,300	17.3%
Enterprise Funds	155,115,219	179,964,300	164,790,682	184,412,200	2.5%
Special Revenue Funds	153,594,176	164,899,900	144,389,392	190,162,400	15.3%
Grant Program Funds	172,121,335	206,521,600	185,498,800	198,604,500	-3.8%
TOTAL	\$3,517,453,721	\$3,712,441,900	\$3,724,322,788	\$3,876,478,800	4.4%
EXPENDITURES					
General Fund	\$2,907,432,460	\$3,116,934,200	\$3,101,547,312	\$3,251,537,400	4.3%
Internal Service Funds	41,532,549	44,121,900	36,967,363	51,762,300	17.3%
Enterprise Funds	143,539,408	179,964,300	144,064,744	184,412,200	2.5%
Special Revenue Funds	154,104,854	164,899,900	144,635,314	190,162,400	15.3%
Grant Program Funds	172,121,335	206,521,600	185,498,800	198,604,500	-3.8%
TOTAL	\$3,418,730,606	\$3,712,441,900	\$3,612,713,532	\$3,876,478,800	4.4%

* FY 2017 Unaudited totals are as of November 9, 2017. Totals are subject to change as the County completes its annual audit.

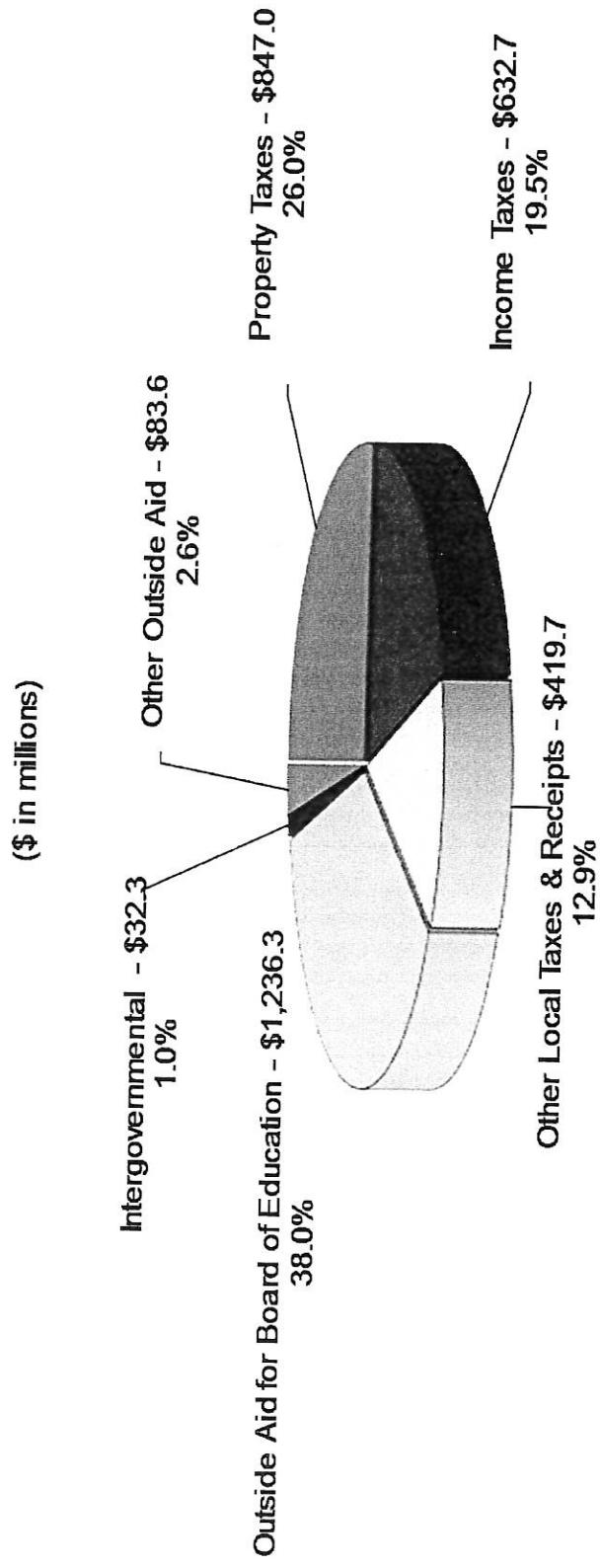
GENERAL FUND OVERVIEW

General Fund Fiscal Summary (\$ in millions)

FY 2016		FY 2016 Budget	FY 2016 Actual	% Change	FY 2017 Budget	FY 2017 Unaudited	% Change	FY 2018 Approved	FY 2018 Projected
Revenues		\$ 2,950.4	\$ 2,996.8	1.6%	\$ 3,116.9	\$ 3,187.1	2.3%	\$ 3,251.5	\$ 3,251.5
Expenditures		\$ 2,950.4	\$ 2,907.4	-1.5%	\$ 3,116.9	\$ 3,101.5	-0.5%		
Difference		\$ -	\$ 89.4		\$ -	\$ 85.5		\$ -	\$ -
FY 2016		FY 2017		FY 2018		FY 2017		FY 2018	
		<u>Actual</u>		<u>Estimate</u>		<u>Projected</u>			
Fund Balance									
Restricted (5%)			\$ 148.4			\$ 159.4		\$ 162.6	
Committed (2%)			\$ 59.4			\$ 63.7		\$ 65.0	
Unassigned			\$ 116.4			\$ 169.8		\$ 152.2	
Total			\$ 324.2			\$ 392.9		\$ 379.8	
Fund Balance as % of General Fund Revenues		10.8%		12.3%		11.7%			

* FY 2017 Unaudited totals are as of November 9, 2017. Totals are subject to change as the County completes its annual audit.

GENERAL FUND FY 2018 APPROVED BUDGET REVENUES



GENERAL FUND FY 2018 APPROVED BUDGET REVENUES

- FY 2018** approved revenues are \$3.25 billion, an increase of \$134.6 million or 4.3% over the FY 2017 unaudited total. FY 2018 County source revenues increase by \$121.7 million or 6.7% and Outside Aid increases by \$12.9 million or 1.0% over the FY 2017 approved budget.
- Property taxes** are expected to increase by 7.5% above FY 2017 budget primarily attributable to higher real property assessment valuations. The FY 2018 approved budget includes \$8.0 million of anticipated revenues to be generated from the MGM National Harbor.
- Income tax receipts** in FY 2018 are projected to grow by 7.2% and the State's Disparity Grant will increase by 2.3%, reflecting a restoration of previous reductions in State funding.
- Transfer and recordation taxes** are expected to increase by 0.5% over the FY 2017 budget. The County anticipates continued recovery in the housing market.
- Licenses and Permits revenues** are expected to increase by 23.6% from the FY 2017 budget and 24.7% from the FY 2017 unaudited total. The increase primarily reflects a full-year of gaming revenues from video lottery terminals and table games at MGM National Harbor.
- Other Financing Sources** are projected to increase by \$13.1 million in FY 2018. This use of fund balance reflects investments to support workforce housing and down payment and closing costs programs through the Housing Investment Trust Fund (\$5 million), \$1.5 million to support the County's Housing Rehab Assistance Program, \$0.9 million for a one-time technology improvement for the Library and \$2.2 million for various one-time initiatives.
- Outside Aid** to the Board of Education is expected to increase by 0.9% from the budget due to the State providing full funding for the Geographic Cost of Education Index component of the education funding formula to the system.

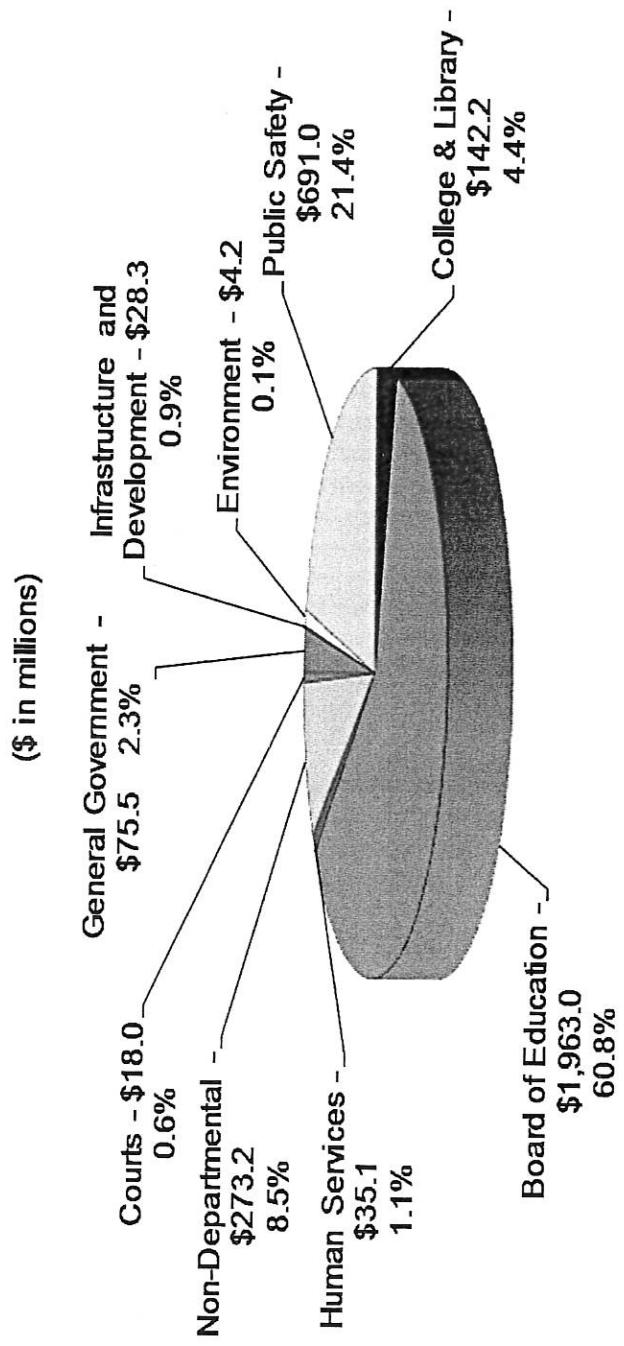
GENERAL FUND FY 2018 APPROVED BUDGET REVENUES – MGM NATIONAL HARBOR

- The FY 2018 Approved Budget includes a full year of revenues in the amount of \$31.8 million expected to be generated from MGM National Harbor.

Source	FY 2017 Approved	FY 2017 Unaudited	FY 2018 Approved	% Change FY17 Approved - FY18 Approved
Real Property Tax - Non-Education (\$0.96 per \$100)	\$ 1,953,500	\$ 4,781,800	\$ 6,324,900	224%
Real Property Tax - Education (\$0.04 per \$100)	151,200	199,200	397,300	163%
Personal Property Tax - Non-Education (\$2.40 per \$100)	840,000	1,000	1,260,000	50%
Personal Property Tax - Education (\$0.10 per \$100)	35,000	-	52,500	50%
Admissions and Amusement Taxes (10%)	4,050,000	1,121,100	1,433,500	-65%
Hotel Taxes (7%)	282,100	577,600	616,000	118%
Video Lottery Terminal (VLT) Revenues (5.5%)	7,503,500	3,106,100	7,103,500	-5%
Table Game Revenues (5%)	4,096,900	8,047,500	14,620,200	257%
Total	\$ 18,912,200	\$ 17,834,300	\$ 31,807,900	68%

- In FY 2018, MGM related revenues are allotted to support the Board of Education (\$13.1M), Community College (\$3.5M), Library (\$0.8M), public safety agencies, community grant programs, student scholarships, workforce programs and Maryland 210.

GENERAL FUND FY 2018 APPROVED BUDGET EXPENDITURES



TOTAL: \$3,230,574,000

GENERAL FUND FY 2018 APPROVED BUDGET EXPENDITURES

- General Fund expenditures in the FY 2018 approved budget are \$3.25 billion, an increase of \$134.6 million or 4.3% over the FY 2017 budget. The majority of funding (60.8%) is allotted for the Board of Education.
- As a whole, all functions of government are experiencing increases as a result of salary adjustments, mandatory cost increases and strategic investments in education, public safety and in our health and human services agencies.
- Funding for the Board of Education includes an additional \$51.6 million over the FY 2017 budget, funding for five new Police recruit classes (200 officers), three Fire classes (88 recruits), 70 new correctional officer recruits and one class for the Office of the Sheriff to keep our growing communities safe.

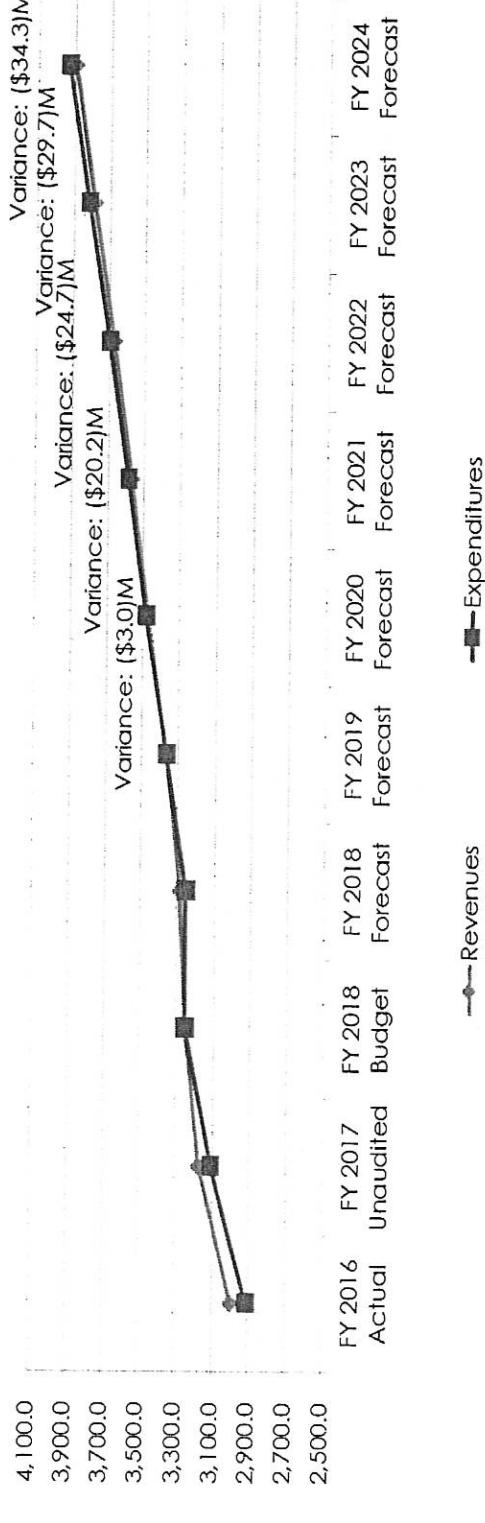
PRELIMINARY FY 2019 REVENUE PROJECTIONS

(\$ in millions)	FY 2016 Actual	FY 2017 Unaudited	FY 2018 Budget	FY 2018 Forecast	FY 2019 Forecast	FY 2017 Unaudited	FY 2018 Forecast	FY 2019 Forecast	FY 2018 % Change	FY 2019 Forecast	FY 2019 % Change
COUNTY SOURCE REVENUES											
Real Property Tax	\$ 704.3	\$ 727.8	\$ 770.8	\$ 772.5	\$ 812.9	3.3%	6.1%	5.2%			
Personal Property Tax	76.5	86.2	76.2	89.1	92.1	12.7%	3.4%	3.4%			
Income Tax Receipts	547.6	559.4	601.8	581.8	605.1	2.2%	4.0%	4.0%			
Income Disparity Grant	23.1	26.6	30.9	30.9	30.9	15.2%	16.1%	0.0%			
Transfer Tax	107.8	113.4	108.2	128.7	117.8	5.2%	13.5%	-8.5%			
Recordation Tax	44.5	46.6	43.4	54.6	50.5	4.8%	17.1%	-7.5%			
Energy Tax	66.4	71.9	70.4	70.4	72.4	8.3%	-2.1%	2.8%			
Telecommunications Tax	311.2	29.3	31.1	27.8	28.6	-6.2%	-5.0%	2.8%			
Other Local Taxes	26.1	28.4	31.6	31.0	34.6	8.8%	9.2%	11.4%			
State-shared Taxes	3.5	3.6	3.5	4.0	4.0	2.3%	11.0%	-0.5%			
Licenses and Permits	37.4	47.6	54.9	58.7	62.1	27.2%	23.2%	5.9%			
Use of Money and Property	6.4	3.1	5.3	3.2	3.2	-51.8%	3.4%	1.2%			
Charges for Services	44.7	49.0	44.0	45.7	46.4	9.5%	-6.7%	1.5%			
Intergovernmental Revenue	38.7	46.0	32.3	39.6	36.3	18.8%	-14.0%	-8.2%			
Miscellaneous Revenue	16.6	16.9	14.2	18.1	19.7	1.8%	7.1%	8.6%			
Other Financing Sources	-	16.8	13.1	13.1	-	100.0%	-21.9%	-100.0%			
Subtotal County Sources	\$ 1,774.9	\$ 1,872.6	\$ 1,931.7	\$ 1,969.2	\$ 2,016.5	5.5%	5.2%	2.4%			
Subtotal w/o Fund Balance	\$ 1,774.9	\$ 1,855.8	\$ 1,918.6	\$ 1,956.1	\$ 2,016.5	4.6%	5.4%	3.1%			
OUTSIDE AID											
Board of Education	\$ 1,144.8	\$ 1,233.0	\$ 1,236.3	\$ 1,236.3	\$ 1,261.0	7.7%	0.3%	2.0%			
Community College	69.0	73.1	75.1	75.1	76.6	6.0%	2.7%	2.0%			
Library	8.3	8.3	8.5	8.5	8.7	0.2%	2.8%	2.0%			
Subtotal Outside Aid	\$ 1,222.0	\$ 1,314.5	\$ 1,319.9	\$ 1,319.9	\$ 1,346.3	7.6%	0.4%	2.0%			
GRAND TOTAL	\$ 2,996.8	\$ 3,187.1	\$ 3,251.5	\$ 3,289.1	\$ 3,362.8	6.3%	3.2%	2.2%			
TOTAL w/o Fund Balance	\$ 2,996.8	\$ 3,170.3	\$ 3,238.4	\$ 3,276.0	\$ 3,362.8	5.8%	3.3%	2.7%			

GENERAL FUND – SIX YEAR FORECAST

- In the absence of structural change, an annual budget variance of (\$3.0) million ~ (\$34.3) million is projected between FY 2020 ~ FY 2024, even after \$36.8~\$42.4 million of annual revenues from the National Harbor complex.

County Source Revenues and Expenditures
FY 2016 - FY 2024
(**\$ in millions**)



FISCAL CHALLENGES: A STRUCTURAL BUDGET GAP

- An existing fiscal imbalance will remain until permanent solutions are in place.
- A structural gap between revenue growth and expenditure growth will remain and grow in FY 2019 and beyond.
 - Revenue growth of \$73M~\$100M per year.
 - Expenditure growth of \$110~\$116M per year, primarily driven by:
 - Debt Service (\$150M new GO Bond = approximately \$10M new annual debt service payments)
 - Maintenance of Effort (MOE) contribution to the Board of Education
 - Fringe Benefit Costs – pensions, healthcare, workers compensation, OPEB, etc.
 - COLA/Merits based on collective bargaining negotiation results
 - Public Safety overtime (OT) and new recruitment classes
 - Additional staffing – At-Large County Council members and support staff as well as limited new staffing for SAO, Sheriff, certain General Government and HHS agencies
 - Various operating expenses (gas/oil, utilities, contract cost increases, leases, equipment replacement costs, etc.)

FISCAL CHALLENGES: EDUCATION FUNDING AND LONG-TERM OBLIGATIONS

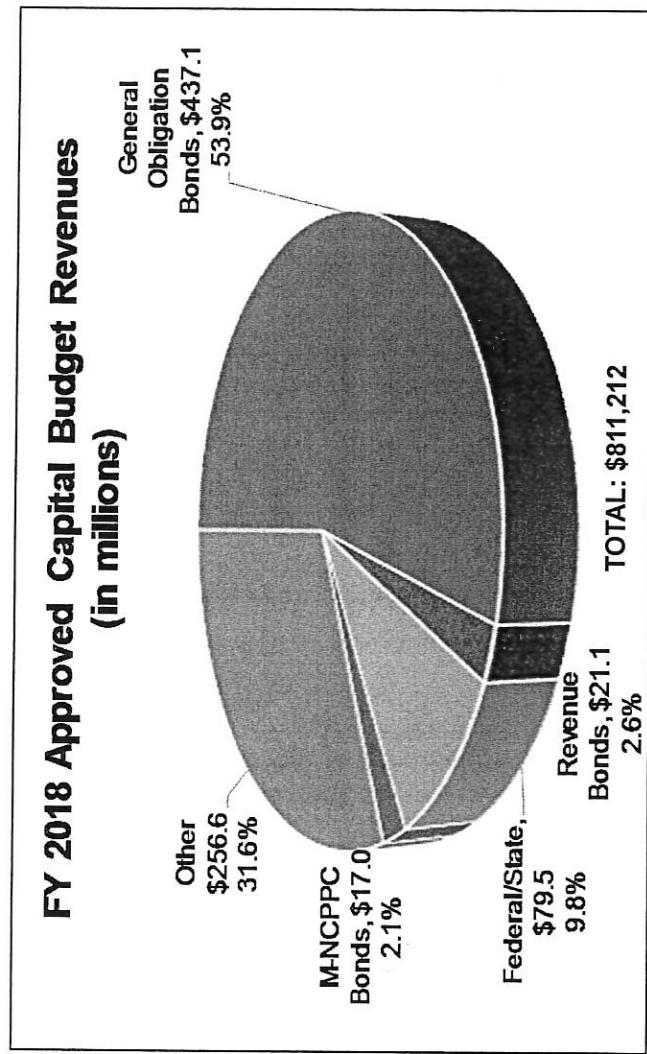
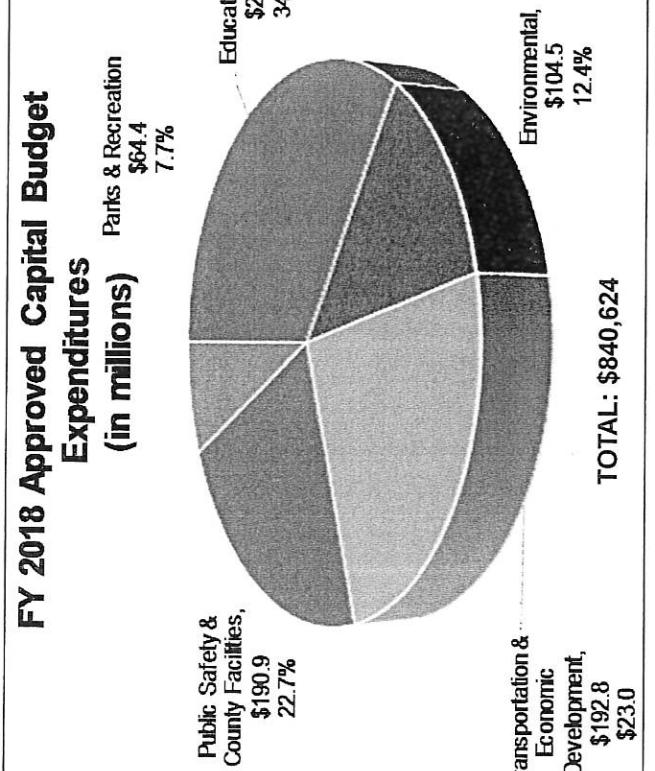
- Demands for additional funding for the Education sector (primarily the Board of Education) to support wage adjustments, pension costs and education initiatives.
- Under-funded pension plans — 58.2% funded (FY 2016) for all pension plan combined.
 - The funded ratio of the County's pension plans continue to improve and recover from the losses experienced in previous fiscal years. The County made a concerted effort to increase the funded status of the pension plans by increasing employee contribution rates, increasing the vesting timeframe, modifying the retirement eligibility and establishing benefit caps. Additional measures will be explored in future collective bargaining negotiations.
- Projected funded ratio of 100% reached by:
 - “ Deputy Sheriff's Supplemental – FY 2025
 - “ General Supplemental Plans – FY 2033
 - “ Police, Fire Service, Deputy Sheriff's Comprehensive and Correctional Officers' Plan – FY 2045.
- Other Post Employment Benefits – The County must adhere to a strict funding plan to increase the funding status of this fund.
- Annual debt service payments will likely exceed the policy cap of 8% of General Fund expenditures by FY 2020.

FY 2018 - FY 2023 CAPITAL IMPROVEMENT PROGRAM (CIP)

- The FY 2018-2023 Capital Improvement Program (CIP) is projected to be \$4.9 billion – an increase of approximately \$73.0 million above the FY 2017-2022 CIP.
- Education and Health Services comprise the largest segment of planned capital expenditures at \$2.6 billion or 53.2% of the total.
- Transportation and Economic Development is the second largest segment at \$875.8 million or 18.0% of the total.
- Environmental projects are the third largest segment at \$677.6 million or 13.9% of the total.
- The FY 2018-2023 CIP will be partially funded by \$2.5 billion in General Obligation bonds.
- The increase is due in part to the following major projects:
 - The Board of Education's Modernization Plan: \$8.5 billion over 20 years to renovate/replace 132 existing schools, build 8 new schools and closing/consolidating 29 schools. The County is actively exploring alternative financing in support of this effort.
 - Impervious Area Restoration projects: As a result of State mandates, the County is ramping up efforts to address untreated impervious areas utilizing water quality/urban retrofit best management practices, stream restoration techniques and other approaches within the Clean Water Partnership Agreement.

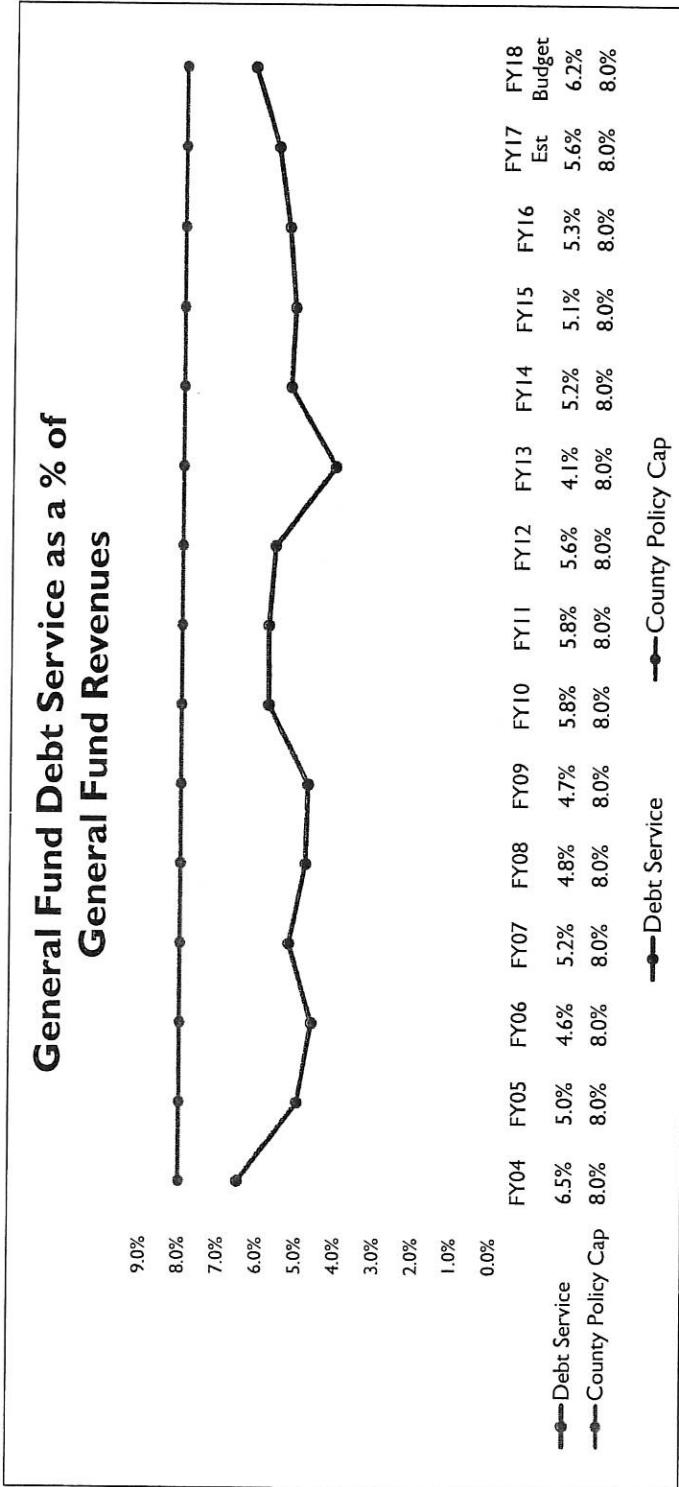
FY 2018 APPROVED CAPITAL IMPROVEMENT BUDGET

- The FY 2018 Capital Improvement Budget is projected to be \$840.6 million and will support 87 capital projects.



GENERAL FUND DEBT SERVICE TO REVENUE RATIO

- Debt service costs as a percentage of County revenues have remained below the County's debt ceiling despite minimal revenue and expenditure growth in recent years. However, we are closely approaching the 8% policy limit.



CAPITAL IMPROVEMENT PROGRAM (CIP) CHALLENGES

- Within the next two years, the County will reach its 8% policy limit of debt service costs as a percentage of revenues. As of result, the CIP will need to be reshaped and reduced over the next year.
- All stakeholders will have to identify ways to reduce the capital program including delaying low-priority projects and evaluating alternative financing mechanisms.
- Through the FY 2019 budget development process, OMB will be prioritizing projects with County agencies and recommend delaying projects to reduce future bond sales.

CONCLUSION

- The County's overall fiscal outlook is cautiously optimistic. Though the County continues to experience modest economic gains, the pace of revenue growth combined with our long term fiscal challenges requires a clear priority focus by all stakeholders.
- To control the long term spending obligations of the County, we must ensure the capital improvement program remains affordable. Reductions must be made to the program as debt service costs are reaching the County's internal policy.
- Continued uncertainty of the regional economy could significantly reduce County source collections including income tax, transfer and recordation taxes, license and permit revenues.
- Reductions of State aid and/or increased sharing of costs (such as the shifting of teachers' retirement costs that began in FY 2013) remain a concern as the State government grapples with its own fiscal challenges. The State recently reduced their revenue projections by \$61.0 million for fiscal year 2018. The decrease was due to stagnant growth in the State's economy. The State is reporting reduced revenues generated from individual income taxes, corporate income taxes, sales and use taxes.
- The potential impact of fiscal actions undertaken by the Federal Government to address its structural deficit, tax reform and other congressional actions could exacerbate the County's budgetary challenges. Such impact can take different forms ranging from a cut in contracts or Federal employees in the County to a reduction in grant funding.

Compensation/Benefits Summary - Other Major County-Based Major Senior Executive Leaders

11/9/2017

	<u>CEO</u> <u>Prince George's Co.</u> <u>Public Schools</u>	<u>General Manager</u> <u>WSSC</u>	<u>Chairperson</u> <u>Prince George's Co.</u> <u>Planning Board</u>
Annual Salary - FY 2018	\$ 299,937	\$ 261,414	\$ 212,353 ^{2/}
Deferred Compensation	\$ 71,000	\$ 24,000	None
Annual Salary Adjustments	COLA - 3.5% on 7-1-18 ^{1/}	COLA - as WSSC Employees	Tied to Top Salary of GR 38 in County Service, as adjusted periodically by COLAs
Annual Bonus Eligibility	Yes - up to 10%	Yes - up to 10% -None Yet	No
Pension	Yes, as PGCPs Employees	Yes - as WSSC Employees	Yes - MNCPCC Employees
Health Benefits/Life Ins	Yes, as PGCPs Employees	Yes - as WSSC Employees	Yes - MNCPCC Employees
Automobile	Yes, w/ driver & security	Yes - \$12,000 Allowance	Yes - but Does Not Have / Use

^{1/}Salary as of 7-1-18 \$310,435

^{2/} Salary as of 11-9-17

APPENDIX D

Prince George's County Executive**Responsibilities/Duties**

"All Executive power vested in Prince George's County by the Constitution and laws of Maryland and [this] Charter shall be vested in the County Executive who shall be the chief executive officer of the County and who shall faithfully execute the laws."

The powers, duties, and responsibilities shall include, but shall not be limited to:

- Prepares and submits an annual report on the activities and accomplishments of the County government, including a detailed financial statement
- Provides direction to all departments and offices of the County government
- Develops policies; proposes plans, programs, budgets, and legislation to the County Council
- Adopts Executive Orders, Regulations and proposes governmental reorganization
- Appoints department heads and members to boards, committees, and commissions
- Insures that County funds in excess of those required for immediate needs are invested in the best interests of the County
- Signs all deeds, contracts and other instruments
- Prepares and submits Annual County Budget including Bi-County agencies
- Prepares an executive pay plan
- Represents the County at local, regional, national and international meetings, events and forums
- Directs implementation of the County budget
- Oversees the enforcement of all laws

Prince George's County Council

Council Member – Responsibilities/Duties

"All Legislative powers of the County are vested in the County Council. In addition, the County Council sits as the District Council on zoning and land use matters, and as the Board of Health on health policy matters."

- Legislative (propose and vote on bills, resolutions and administrative correspondence considered for enactment or amendment of County law or policy)
- Land-use authority (oversee planning and zoning with quasi-judicial review and vote on land-use cases)
- Board of Health (govern and guide health policy)
Appoint and confirm County Executive appointments of Agency heads, or to Boards and Commissions
- Council Standing Committees (hold work sessions to consider, amend and vote on proposed legislation)
- Task Forces and Work Groups (to consider and develop legislation and/or policy)
- Review and adopt Annual County & Bi-County Agency Budgets - Operating & Capital
- Set tax rates
- Fiduciary responsibility (Authorize funding and provide oversight for government expenditures)
- Manage individual Council District Office Budget (currently \$307,000 per year)
- Supervise individual Council District Office Staff (all Exempt personnel)
- Work on projects to improve the quality of life in individual Council District
- Meet with constituents, community organizations
- Respond to constituent concerns
- Meet with County officials on various legislative and policy matters
- Meet with State and federal officials and officials from other jurisdictions on various legislative and policy matters
- Advocate in Annapolis (General Assembly) on various legislative and policy matters
- Represent the Council/County on various local, regional and/or national Boards, Advisory Boards, Committees, Associations, and/or Organizations



Rushern L. Baker, III
County Executive

COMPENSATION

REVIEW

BOARD

Nicholas A. Majett
Chief Administrative Officer
County Executive

Stephanye R. Maxwell, Esq., CPM
Director
Office of Human Resources Management



THE PRINCE GEORGE'S COUNTY GOVERNMENT

OFFICE OF HUMAN RESOURCES MANAGEMENT

Rushern L. Baker, III
County Executive

Stephanye R. Maxwell, Esq., CPM
Director

Bridgette A. Greer, Esq.
Deputy Director

Karen Williams Gooden, Esq.
Deputy Director

October 30, 2017

Ms. Camille A. Exum
Chair of the Compensation Review Board
Prince George's County Clerk of the County Council
14741 Governor Oden Bowie Drive
Upper Marlboro, Maryland 20772

Dear Chair Ms. Exum:

As requested from Mr. Robert Williams, Council Administrator, for the Prince George's County Council, via an email dated October 20, 2017, attached you will find the necessary information for the upcoming Compensation Review Board Meeting. First, we have provided an overview of the history of salaries (summary chart) for the County Executive, the County Council Chairperson, County Council Vice Chairperson and the County Council Members for fiscal years 2007-2018. Historically, the salaries for the County Executive and the Council Members have been provided to the Office of Human Resources Management (OHRM), via a confidential memorandum from the Council Administrator or an email from the Office of the County Executive, with the applicable percentage increase in accordance with the Consumer Price Index (copy of Council Resolution-68-2006, copies of memoranda, and copies of emails are attached.)

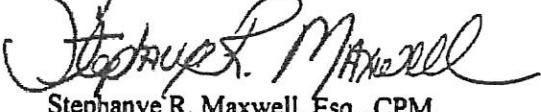
The package also includes Council Resolution-78-2001, identifying the specific benefits offered to the Executive Staff, including the elected officials. This legislation includes Executive Life Insurance and Executive Long Term Disability. An *Executive Benefits at a Glance 2018 Summary* and a summary of the current benefits selected for the County Executive and the County Council Members are included as well as a copy of the Summary of Coverage and relevant Group Plan documents.

Finally, the package includes the Pension Plan Options for Elected Officials. The two (2) pension options offered to the Executives include the Defined Plan through the Maryland State Pension System and 401 Defined Contribution Plan thru the ICMA Corporation. Additionally, the Executives may elect to enroll in the County Supplemental Pension Plan. Please note that the retirement eligibility was changed in July, 2011 for both the Maryland State Pension System Defined Benefit Plan and the General Schedule Supplemental Pension Plan. The comparison documents (*Executive Pension Benefits at a Glance*, Maryland State Pension System, and the Summary of the Supplemental Pension Plan for General Schedule) are attached for your convenient reference. The *Executive Pension Benefits at a Glance*, indicates that those officials hired prior to July 1, 2011, have different eligibility than those officials hired after July 1, 2011. For those hired after July 1, 2011, the vesting period increased from five (5) years to ten (10) years, and the normal retirement date changed from age 62 with five (5) years to age 65 with ten (10) or more years or the rule of 90.

1400 McCormick Drive, Largo, Maryland 20774
MAIN (301) 883-6330 FAX (301) 883-6468 MD RELAY SERVICE 711

Chair Camille A. Exum
October 30, 2017
Page 2

Please let me know if you have any questions concerning the provided information. I may be reached at (301) 883-6344.

Sincerely,

Stephanye R. Maxwell, Esq., CPM
Director

Attachments

cc: Nicholas A. Majett, Chief Administrative Officer
Glenda R. Wilson, Chief of Staff
Robert J. Williams, Council Administrator

County Executive and Council Salary by Fiscal Year

County Executive			
Fiscal Year	Date Range	Salary	Effective Date
2007	7/1/06 – 6/30/07	\$160,000.00	12/4/06
2008	7/1/07 – 6/30/08	\$165,440.00	12/3/07
2009	7/1/08 – 6/30/09	\$174,539.30	12/1/08
2010	7/1/09 – 6/30/10	FROZEN	12/7/09
2011	7/1/10 – 6/30/11	FROZEN	12/6/10
2012	7/1/11 – 6/30/12	\$180,473.63	12/5/11
2013	7/1/12 – 6/30/13	\$185,526.90	12/2/12
2014	7/1/13 – 6/30/14	\$187,753.00	12/2/13
2015	7/1/14 – 6/30/15	\$197,141.00	12/8/14
2016	7/1/15 – 6/30/16	\$206,998.00	12/7/15
2017	7/1/16 – 6/30/17	\$209,998.00	12/5/16
2018	7/1/17 – 6/30/18	TBD	TBD

County Council Chairperson			
Fiscal Year	Date Range	Salary	Effective Date
2007	7/1/06 – 6/30/07	\$94,000.00	12/4/06
2008	7/1/07 – 6/30/08	\$97,026.00	12/3/07
2009	7/1/08 – 6/30/09	\$102,087.00	12/1/08
2010	7/1/09 – 6/30/10	\$101,417.00	12/7/09
2011	7/1/10 – 6/30/11	FROZEN	12/6/10
2012	7/1/11 – 6/30/12	\$104,695.00	12/5/11
2013	7/1/12 – 6/30/13	\$107,486.00	12/3/12
2014	7/1/13 – 6/30/14	\$108,716.00	12/2/13
2015	7/1/14 – 6/30/15	\$114,347.00	12/8/14
2016	7/1/15 – 6/30/16	\$120,064.00	12/7/15
2017	7/1/16 – 6/30/17	\$123,214.00	12/5/16
2018	7/1/17 – 6/30/18	TBD	TBD

County Council Vice Chairperson			
Fiscal Year	Date Range	Salary	Effective Date
2007	7/1/06 – 6/30/07	\$91,500.00	12/4/06
2008	7/1/07 – 6/30/08	\$94,526.00	12/3/07
2009	7/1/08 – 6/30/09	\$99,587.00	12/1/08
2010	7/1/09 – 6/30/10	\$98,917.00	12/7/09
2011	7/1/10 – 6/30/11	FROZEN	12/6/10
2012	7/1/11 – 6/30/12	\$102,195.00	12/5/11
2013	7/1/12 – 6/30/13	\$104,986.00	12/3/12
2014	7/1/13 – 6/30/14	\$106,216.00	12/2/13
2015	7/1/14 – 6/30/15	\$111,625.00	12/8/14
2016	7/1/15 – 6/30/16	\$117,206.00	12/7/15
2017	7/1/16 – 6/30/17	\$120,281.00	12/5/16
2018	7/1/17 – 6/30/18	TBD	TBD

County Executive and Council Salary by Fiscal Year

County Council Members			
Fiscal Year	Date Range	Salary	Effective Date
2007	7/1/06 – 6/30/07	\$89,000.00	12/4/06
2008	7/1/07 – 6/30/08	\$92,026.00	12/3/07
2009	7/1/08 – 6/30/09	\$97,087.00	12/1/08
2010	7/1/09 – 6/30/10	\$96,417.00	12/7/09
2011	7/1/10 – 6/30/11	FROZEN	12/6/10
2012	7/1/11 – 6/30/12	\$99,695.00	12/5/11
2013	7/1/12 – 6/30/13	\$102,486.00	12/3/12
2014	7/1/13 – 6/30/14	\$103,716.00	12/2/13
2015	7/1/14 – 6/30/15	\$108,902.00	12/8/14
2016	7/1/15 – 6/30/16	\$114,347.00	12/7/15
2017	7/1/16 – 6/30/17	\$117,347.00	12/5/16
2018	7/1/17 – 6/30/18	TBD	TBD

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND

2001 Legislative Session

Resolution No. CR-78-2001
Proposed by The Chairman (by request – County Executive)
Introduced by Council Members Russell, Bailey, Wilson, Gourdine and Shapiro
Co-Sponsors _____
Date of Introduction November 6, 2001

RESOLUTION

1 aide to each Council Member shall be entitled to a beginning annual leave balance of eighty (80)
2 hours unless said exempt employee has an existing annual leave balance as an employee of
3 Prince George's County of more than eighty (80) hours. This benefit may be granted to other
4 exempt employees, except elected officials, by the appropriate appointing authority.

5 2. The annual leave earning rate for all exempt service employees except elected
6 officials shall be as established by the appropriate appointing authority up to the maximum rate
7 provided [in the County Code] for classified service employees.

8 C. Sick Leave

9 1. The Chief Administrative Officer, the head of each agency, the [aides to]
10 immediate staff of the County Executive, the Council Administrator, the County Auditor and the
11 aide to each Council Member shall be entitled to a beginning sick leave balance of eighty (80)
12 hours unless said exempt employee has an existing sick leave balance as an employee of Prince
13 George's County of more than eighty (80) hours. This benefit may be granted to other exempt
14 employees by the appropriate appointing authority.

15 2. The sick leave earning rate for all exempt service employees except elected
16 officials shall be as established [in the County Code] for classified service employees.

17 D. Insurance

18 1. All exempt service employees are entitled to the same insurance benefits as are
19 provided pursuant to the Personnel Law to classified service employees of the County, including,
20 but not limited to, health insurance, life insurance, optical care plan, dental plan, and prescription
21 plan.

22 2. The County Executive may grant to the Chief Administrative Officer, the immediate
23 staff of the County Executive and the head of each agency, and the County Council may grant to
24 the Council Administrator, the County Auditor and the aide to each Council Member additional
25 life insurance benefit, provided that the cost of premiums for such insurance shall not exceed
26 seven percent (7%) of annual salary. The County Executive and members of the County Council,
27 with a term beginning after November 2002, are entitled to this same benefit.

28 E. Retirement, Defined Contribution and Deferred Compensation Plans.

29 1. All exempt employees are entitled to and subject to the same retirement and
30 pension benefits as are provided by the Personnel Law or other law to classified service
31 employees of the County.

1 2. The Chief Administrative Officer, the head of each agency, the [aides to]
2 immediate staff of the County Executive, the Council Administrator, the aide to each Council
3 member and the County Auditor shall be entitled, from the time of entry into the position, to
4 payment to an alternate [pension] defined contribution or deferred compensation plan of Prince
5 George's County in an amount equal to [the normal contribution rate for the employer's share of
6 retirement costs for municipality members of the Maryland State Retirement/Pension System, as
7 such rate is adjusted from time to time (4.13% of salary for FY-1985)] five percent (5%) of
8 salary, as long as the employee does not participate in the State system. The County Executive
9 and members of the County Council, with a term beginning after November 2002, are entitled to
10 this same benefit. [Provided, however, that if any of the specified members of the exempt
11 service are participating in the Maryland State Retirement/Pension System and choose to
12 exercise their option to decline or modify that participation, which would result in a lower
13 contribution rate for the employer, said employees shall be entitled to compensation in the form
14 of payment to an alternate pension or deferred compensation plan of the County in an amount
15 equal to the difference between the lower employer share and the employer's share had the
16 employees continued to participate in the State system at the previous level.]

17 G. Automobile Allowance

18 1. The Chief Administrative Officer, the head of each agency, the immediate staff of
19 the County Executive, the Council Administrator, and the County Auditor may be granted an
20 automobile allowance in an amount equivalent to the cost of providing a County vehicle to said
21 employee. The County Executive and members of the County Council, with a term beginning
22 after November 2002, are entitled to this same benefit.

23 H. Relocation Expenses

24 The County Executive may grant to the Chief Administrative Officer, the head of
25 each agency, and the Deputy Chiefs of Police, and the County Council may grant to the Council
26 Administrator and the County Auditor, reimbursement for the reasonable costs of relocation to
27 Prince George's County.

28 SECTION 2. BE IT FURTHER RESOLVED that all other provisions of the exempt salary
29 plan adopted by CR-179-1985 and amended previously by CR-4-1986, CR-77-1986, and CR-14-
30 1988, not amended by this Resolution shall remain in full force and effect.

31 SECTION 3. BE IT FURTHER RESOLVED that the increase in the County contribution

1 to 5% of salary to payment to an alternate defined contribution or deferred compensation plan of
2 Prince George's County set forth in paragraph E.2. of the Executive Pay Plan shall be effective
3 retroactive to July 1, 2001.

4 SECTION 4. BE IT FURTHER RESOLVED that all existing Executive Orders and
5 Resolutions approving and establishing additional individual benefits for current exempt service
6 employees are hereby confirmed and ratified and remain in full force and effect.

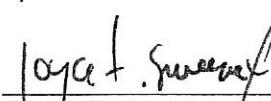
7 SECTION 5. BE IT FURTHER RESOLVED that the provisions of the exempt pay plan as
8 established by CR-179-1985, CR-4-1986, CR-77-1986, CR-14-1988 and this Resolution shall
9 apply, as applicable, to the following exempt employees: the County Executive; members of the
10 County Council; the Chief Administrative Officer; the immediate staff of the County Executive
11 (not to exceed five persons); the heads of offices and departments in the executive branch,
12 including executive directors of boards and commissions; the Council Administrator; the County
13 Auditor; the aide to each Council member; persons hired as attorneys-at-law , including attorneys
14 in the Office of Law, the Legislative Officer, and the Principal Counsel to the District Council;
15 and Deputy Chiefs of Police (limited to three). The provisions of the exempt pay plan do not
16 apply to members of boards and commissions, 700-hour employees, experts or specialists
17 performing temporary services, employees required to be covered by the State merit system, and
18 hearing examiners.

Adopted this 19th day of November, 2001.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: 
Ronald V. Russell
Chairman

ATTEST:



Joyce T. Sweeney
Clerk of the Council

County Executive Salary Comparable

	Prince George's County	Baltimore County	Montgomery County
Salary	\$209,998	\$175,000	\$190,728 (will receive salary increase in December)
Vehicle	Yes (there is a vehicle for use, and a driver)	No (but has a police officer that serves as a driver/bodyguard)	Yes (also has a driver)

County Council Salary Comparable

	Prince George's County	Baltimore County	Montgomery County
Council Chairperson		Council Chairperson	Council Chairperson
Salary	\$123,214	\$70,000	\$132,743
Vehicle	No	No	No
Council Vice Chairperson		Council Vice Chairperson	Council Vice Chairperson
Salary	\$120,281	N/A	N/A
Vehicle	No	N/A	N/A
Council Member		Council Member	Council Member
Salary	\$117,347	\$62,500	\$120,675
Vehicle	No	No	No



PRINCE GEORGE'S COUNTY GOVERNMENT

EXECUTIVE BENEFITS AT A GLANCE 2018

1400 McCormick Drive, Suite 245, Largo, Maryland 20774 301-883-6380 (main) 301-883-6192 (fax)

General Information for Executive Benefits:

- The Executive Life Insurance (ELI) and the Executive Long Term Disability Insurance (ELT) plans are provided to specified exempt employees and appointed officials as outlined in Resolution CR-78-2001.
- The ELI plan is effective on the hire date or the date that the employee's status changes to exempt or appointed as outlined in CR-78-2001.
- The effective date of the ELT plan is the beginning of the month following a forty-five (45) day waiting period from the date of hire. If the individual is a current employee and enrolled in the LTD plan for employees, the effective date of the ELT plan is the date the employee's status changes to exempt or appointed as outlined in CR-78-2001.
- There is no cost to the employee for the ELI & ELT plans.
- The employee must complete a separate Beneficiary Form for the ELI plan.

Executive Life Insurance (ELI):

PLAN FEATURES

- The ELI benefit is one and a half times the annual salary.
- The ELI plan is provided to you at no cost.
- The ELI plan has an age-based reduction that applies at ages 65, 70, and 75.
- If you are a newly hired employee, and age 65, the ELI benefit starts reducing immediately in accordance with the reduction schedule.
- The plan includes an Accelerated Death Benefit in the event of a terminal illness. The payment under this benefit is not automatic. Aetna must review and approve eligibility for the payment.
- The coverage ends on the last day of the month in which your employment ends with the County; however, you can apply for an individual policy under the conversion privilege within thirty-one (31) days after the ELI plan ceases.

PLAN DESIGN

Benefit Formula	1.5 x Annual Earnings
Rounding	Up to next \$1,000
Maximum Benefit	\$225,000
Age Based Benefit Reduction	To 65% at age 65 To 50% at age 70 To 35% at age 75
Guarantee Issue	Full Benefit
Employer Contribution	100%
Minimum Participation	100%

Executive Long Term Disability (ELT):

PLAN FEATURES

- The ELT plan is provided to you at no cost.
- The ELT benefit provides a *replacement option of 60% of your base pay* up to the allowable maximum per month, in the event of a disability.
- The benefits under the ELT plan will begin after one hundred-eighty (180) days of disability. A twelve (12) month waiting period applies to any pre-existing conditions.
- The benefit received under the ELT plan may be reduced by other income benefits.
- If you were enrolled in the Long-Term Disability (LTD) plan offered to all employees prior to becoming eligible for the ELT plan, you may resume the enrollment in the LTD plan for all employees within thirty-one (31) days of becoming ineligible for the ELT plan.
- The plan includes AdminEase, an on-line tool that provides administration kits, Claim Forms and resource library.
- The ELT plan coverage ends on the last day of the month in which your employment ends or employee's status changes with the County. This plan is not eligible for an individual policy under the conversion privilege.

PLAN DESIGN

LTD Monthly Benefit	60%
Insured Pre-disability Earning	\$12,500
Maximum Monthly Benefit	\$7,500
Minimum Monthly Benefit	\$100
Benefit Waiting Period	180 Days
Maximum Benefit Period	To age 65
Own Occupation Period	24 Months
Guarantee Issue (benefit)	\$7,500
Employer Contribution	100%
Minimum Participation	100%

Summary of Coverage

Employer: The Prince George's County Government

Group Policy: GP-809536

SOC: 2C

Issue Date: January 14, 2003

Effective Date: January 1, 2003

Employee:

The benefits shown in this Summary of Coverage are available for you.

"This is an electronic version of the Summary of Coverage on file with your Employer and Aetna Life Insurance Company, Hartford, CT. In case of a discrepancy between this electronic version and the group insurance contract issued by Aetna Life Insurance Company, or in case of any legal action, the terms set forth by such group insurance contract will prevail. To obtain a printed copy of this Summary of Coverage, please contact your Employer."

Eligibility

Employees

You are in an Eligible Class if you are a permanent full-time or part-time Executive working at least 15 hours per week for Prince George's County Government and have elected Long Term Disability Benefits.

In addition, you must be:

- scheduled to work on a regular basis at least 15 hours per week during your Employer's work week; and
- working within the United States.

Your Eligibility Date is the first day of the calendar month coinciding with or next following the date you complete a probationary period of 45 days of continuous service for your Employer, but not before the later of the Effective Date of this Plan and the date you enter the Eligible Class.

Enrollment Procedure

You will be required to enroll in a manner determined by Aetna and your Employer.

Long Term Disability
Executives

GR-9

0030-0120

1

08/24/2006

Disability Coverage

Long Term Disability Benefits

Employees

Elimination Period: The first 180 days of a period of disability.

Scheduled Monthly LTD Benefit 60% of your monthly predisability earnings.

(Any benefit actually payable may be reduced by "other income benefits." The Booklet-Certificate has definitions of "other income benefits," "adjusted predisability earnings," and "predisability earnings.")

Maximum Monthly Benefit

Under this Plan (together with
all other income benefits) \$ 7,500

Minimum Monthly Benefit \$ 100

Maximum Benefit Duration*

- If your period of disability starts prior to the date you reach age 62, it will end with the calendar month in which you reach age 65.
- If your period of disability starts on or after the date you reach age 62, it will end with the expiration of the number of months of disability, after the elimination period is met, as figured from the following Schedule:

Maximum Benefit Duration Schedule

Age When Period of Disability Starts	Months of Disability
62 but less than 63	42 months
63 but less than 64	36 months
64 but less than 65	30 months
65 but less than 66	24 months
66 but less than 67	21 months
67 but less than 68	18 months
68 but less than 69	15 months
69 and over	12 months

* Unless your period of disability ends earlier for one or more of the reasons stated in your Booklet-Certificate.

Benefits Actually Payable

Any monthly benefit actually payable will be reduced by "other income benefits." In figuring any monthly benefit, other income benefits do not include income from any employer or income from any occupation for compensation or profit.

Benefit Adjustment While Disabled and Working

If, while monthly benefits are payable, you have income from:

- any employer; or
- any occupation for compensation or profit;

which is more than 20% of your adjusted predisability earnings; the monthly benefit as figured above will be adjusted as follows:

During the first 12 months that you have such income, the monthly benefit will be reduced only to the extent the amount of that income and the monthly benefit payable, without any reduction for other income benefits, exceeds 100% of your adjusted predisability earnings.

Thereafter, the monthly benefit will be the product of the following:

(A divided by B) x C where:

A = Your adjusted predisability earnings minus such income.

B = Your adjusted predisability earnings.

C = The monthly benefit payable without regard to this paragraph.

Income means income you receive, while disabled and working, from your Employer and from any other employer. However, any income received from another employer will be considered income only to the extent that it exceed the amount of income you were receiving from such employer immediately before the date a period of disability started.

Pregnancy Coverage

Benefits are payable on the same basis as for a disease if a female employee, while covered under this Plan, is absent from active work because of a disabling pregnancy-related condition. A physician's certification that the employee is disabled because of the condition will be necessary. Further, Aetna may request any additional evidence it believes is necessary before deciding that benefits are payable.

If, during the 3 months before coverage took effect, services are rendered or supplies are received in connection with a pregnancy or a pregnancy is confirmed, the pregnancy is a pre-existing condition whether or not the pregnancy commenced during that 3 month period.

General

This Summary of Coverage replaces any Summary of Coverage previously in effect under the group contract. Requests for amounts of coverage other than those to which you are entitled in accordance with this Summary of Coverage cannot be accepted.

The insurance described in this Booklet-Certificate will be provided under Aetna Life Insurance Company policy form GR-29.

**KEEP THIS SUMMARY OF COVERAGE
WITH YOUR BOOKLET-CERTIFICATE**

Summary of Coverage

Employer: The Prince George's County Government

Group Policy: GP-809536

SOC: 3J

Issue Date: July 21, 2006

Effective Date: July 1, 2005

Employee:

The benefits shown in this Summary of Coverage are available for you.

Eligibility

Employees

You are in an Eligible Class for Basic Life Insurance if you are an Executive as defined by Prince George's County Government.

You are not in an Eligible Class if you are an employee who is in a class for which a separate Summary of Coverage has been designated for the coverage described in this Summary.

Please refer to your Employer's Benefits Manual for additional information about Eligibility Requirements.

Your Eligibility Date, if you are then in an Eligible Class, is the Effective Date of this Plan. Otherwise, it is the date you commence active work for your Employer or, if later, the date you enter the Eligible Class.

You can remain in an Eligible Class for Basic Life Insurance as a retired employee if when you terminate active employee status you have reached the age and completed the required years of service with your Employer as defined by the pension plan that you are enrolled in with your Employer. You may continue your Basic Life Insurance. Your Basic Life Insurance will be subject to any reduction set forth below.

If you retired before the Effective Date of this Plan, you are also in an Eligible Class. You must follow the Enrollment Procedure. You may have Basic Life Insurance. Your Basic Life Insurance will be subject to any reduction set forth below.

Basic Life Insurance Executives

Eligibility For Life Insurance if Permanently and Totally Disabled

You may remain eligible for Life Insurance coverage, subject to change or termination as provided elsewhere in the group contract, if your Employer determines that you have become permanently and totally disabled, if:

- the total disability starts while you are insured, on or after the date this subsection applies to you and before you retire; and
- your Employer continues premium payments for this coverage.

This eligibility ceases on the date your Employer determines that you are no longer permanently and totally disabled.

Report a disease or injury to your Employer as soon as you can. Your Employer will help you determine if you qualify.

Enrollment Procedure

You will be required to enroll in a manner determined by Aetna and your Employer.

Please refer to your Employer's Benefits Manual for additional information about Enrollment Procedures.

Effective Date of Coverage

Employees

Your coverage will take effect on your Eligibility Date.

Active Work Rule: If you happen to be ill or injured and away from work on the date your coverage would take effect, the coverage will not take effect until you return to full-time work for one full day. This rule also applies to an increase in your coverage.

Please refer to your Employer's Benefits Manual for additional information about the Effective Date of Coverage.

Life Insurance

Schedule of Basic Life Insurance

Employees Schedule

Classification	Amount
Executives	1.5 times your basic annual earnings, as determined by your Employer, rounded to the nearest \$ 1,000, if not an integral multiple of \$ 1,000.
	Maximum: \$ 225,000
	Minimum: \$ 1,000

Note: This is an employer paid benefit. It is important to note that the above Basic Life Insurance benefit will cease at retirement. Please refer to your Employer's policy for information on the reduction option.

Age Reduction Rule

Your Life Insurance amount in force on the day before the first day of the month in which you reach age 65 will be reduced by: 65% upon attainment of age 65; 50% upon attainment of age 70; 35% upon attainment of age 75. The reduction will take effect on the first day of the calendar month in which you reach the age specified. No reduction will take place if your Life Insurance has already been reduced because of retirement.

If you become insured during or after the month in which you reach the above ages, your amount of Life Insurance will be the applicable percentage of the amount shown for your classification.

Note:

At any time that your Life Insurance is being continued because you are permanently and totally disabled, the above retirement rule will not apply to you while you are under age 65. At age 65, the retirement rule will apply and your Life Insurance will be reduced in accordance with the preceding paragraph, if you qualify as a retired employee in an Eligible Class. If you do not qualify as a retired employee, your Life Insurance will cease.

Accelerated Death Benefit

Employees

ADB Months:	12
ADB Percentage:	50%
ADB Minimum:	\$ 5,000
ADB Maximum:	\$ 300,000

Note: Please see the attached Booklet Certificate for more information about this benefit.

Adjustment Rule

If, for any reason, a person is entitled to a different amount of coverage, coverage will be adjusted as provided elsewhere in the group contract, except that an increase is subject to any Active Work Rule described in Effective Date of Coverage section of this Summary of Coverage.

Benefits for claims incurred after the date the adjustment becomes effective are payable in accordance with the revised plan provisions. In other words, there are no vested rights to benefits based upon provisions of this Plan in effect prior to the date of any adjustment.

General

This Summary of Coverage replaces any Summary of Coverage previously in effect under the group contract. Requests for amounts of coverage other than those to which you are entitled in accordance with this Summary of Coverage cannot be accepted.

The insurance described in this Booklet-Certificate will be provided under Aetna Life Insurance Company policy form GR-29.

**KEEP THIS SUMMARY OF COVERAGE
WITH YOUR BOOKLET-CERTIFICATE**

SUMMARY OF SUPPLEMENTAL PENSION PLAN

For General Schedule Employees

Eligibility	Elective for Covered Employees employed before 12/30/90; mandatory for Covered Employees employed on or after 12/30/90; provided that if the Covered Employee transfers from another County elective supplemental pension plan in which they did not participate, they are not eligible to participate in Plan.
Vesting (Pre 7/1/12)	100% after 5 years of Eligibility Service or attainment of Normal Retirement Date. A participant is credited with one year of Eligibility Service for each calendar year in which the participant completes at least 1,040 hours of Actual and Continuous Service.
Vesting (Post 7/1/12)	100% after 10 years of Eligibility Service or attainment of Normal Retirement Date. A participant is credited with one year of Eligibility Service for each calendar year in which the participant completes at least 1,040 hours of Actual and Continuous Service.
Benefit Accrual	Based on years of Creditable Service. All Actual and Continuous Service rendered as a full-time County employee is Creditable Service. Creditable Service credited to a part-time County employee for any fiscal year shall equal the number of hours of Actual and Continuous Service completed during that fiscal year, divided by 2,080.
Formula at Normal Retirement	Annual benefit is 1% of Average Annual Compensation multiplied by each year of Creditable Service, up to 30 years, for participants actively participating in the Plan on or after January 1, 2002.
Maximum Benefit	30% of Average Annual Compensation, for participants actively participating in the Plan on or after June 26, 1994.
Normal Retirement Date (Pre 7/1/12)	First day of the month coinciding with or immediately following the date on which a participant actually separates from service as a County employee and (i) is age 55 with 15 years of Eligibility Service, (ii) is age 62 with 5 years of Eligibility Service, (iii) has 30 years of Eligibility Service or (iv) has attained normal retirement date under the State of Maryland retirement system, whichever is earlier.
Normal Retirement Date (Post 7/1/12)	First day of the month coinciding with or immediately following the date on which a participant actually separates from service as a County employee and (i) is age 60 with 15 years of Eligibility Service, (ii) is age 65 with 10 years of Eligibility Service, (iii) has attained the Rule of 90 (sum of age and eligibility

service equals 90) or (iv) has attained normal retirement (or 30 years of service) under the State of Maryland retirement system, whichever is earlier.

COLA	None
Employee Contributions	3.13% of base salary
Amount	Actuarially determined to provide 50% of cost of normal retirement benefits, as provided by legislative act.
Pre-Tax	All employee contributions are made on a pre-tax basis. These amounts are not included in an employee's gross income and are not subject to Federal or Maryland income taxes.
Vested Participant	Vested benefit and contributions must be transferred if employee becomes eligible to participate in another County supplemental pension plan.
Non-Vested Participant	Employee contributions may be transferred if employee becomes eligible to participate in another County supplemental pension plan.
Additional Benefits	
Severance Benefit	Participant who separates from service as a County employee on or before Normal Retirement Date for reasons other than death may elect to receive (in lieu of benefits) a lump sum refund of employee contributions plus 5% interest, compounded annually.
Disability	None
Death Benefit	Difference between (i) total employee contributions with 5% interest compounded annually to the earlier of date of death or date retirement benefits began, and (ii) total benefits received under Plan by participant and beneficiary, if any

DEFINITIONS

Actual Service means service while a County employee before December 30, 1990 and service while a Covered Employee after December 30, 1990.

Average Annual Compensation means the amount computed by dividing by 3 the compensation actually received during the five consecutive years of greatest compensation as a County employee; provided that if compensation earned in any year exceeds that of the average of the previous two (2) years by more than 20%, the amount in excess of such 20% is not included in the computation of Average Annual Compensation.

Continuous Service means the most recent unbroken period of employment as a County employee before December 30, 1990 and as a Covered Employee after December 30, 1990.

Covered Employee means (i) any elected official and (ii) any Employee who, on or after December 30, 1990, is employed (A) full-time or part-time by the County and is paid in accordance with the County's general salary schedule, (B) full-time by the County as a civilian employee of the Sheriff's Department and is paid in accordance with the County's salary schedule Z, or (C) full-time by the County in the Family Connection Division of the Department of Family Services, but excluding (a) any person who is actively participating in Another County pension plan, (b) any person who is a 'Leased Employee' as defined in the Plan, (c) any person who is a non-permanent employee and participates in a program, the goal of which is to provide temporary employment for training purposes, (d) any person assigned to an hourly rated position for temporary or seasonal help, (e) any person who is an expert or specialist performing temporary services, and (f) any employee required to be covered by the State merit system (in each case as described in the County Charter and Code).

The foregoing is a summary of the key provisions of the County's Supplemental Pension Plan for General Schedule Employees. It is not a complete recital of the terms of the Plan and participants should review the Plan for its effect in their circumstances.

Updated 10/30/2017

MARYLAND STATE EMPLOYEES PENSION

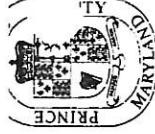
WWW.SRA.STATE.MD.US

MANDATORY	Permanent Full/Part Time (15 hours per week). Except Circuit Court law clerks.								
Contributions	0 unless earnings over Social Security Wage Base (SSWB) \$127, 200 (2017). Then 5% contribution is required for earnings in excess of SSWB.								
Death Benefit	One times annual salary – paid first year only if injury on the job.								
Types of Service:									
<i>Eligibility</i>	500 Hours per Fiscal Year = 1 year (went into effect 7/1/98 – prior was 700 hours).								
<i>Credited</i>	2080 hours = 1 year. Based on actual hours reported. Does not include overtime (i.e., 1040 (40-hours bi-weekly) divided by 2080 equals 6 months credited – one year eligibility).								
Normal Retirement Date (NRD)	<table><thead><tr><th>Pre July 1, 2011</th><th>Post July 1, 2011</th></tr></thead><tbody><tr><td>Age 62 with 5 or more years eligibility service. 30 years (between 24% and 35% depending on Average Final Salary (AFS).</td><td>Age 65 with 10 or more years eligibility service.</td></tr><tr><td></td><td>Rule of 90 – age and years (eligibility service) must be equal to or greater than 90</td></tr><tr><td></td><td>Benefit will be between 24% and 35% depending on Average Final Salary (AFS).</td></tr></tbody></table>	Pre July 1, 2011	Post July 1, 2011	Age 62 with 5 or more years eligibility service. 30 years (between 24% and 35% depending on Average Final Salary (AFS).	Age 65 with 10 or more years eligibility service.		Rule of 90 – age and years (eligibility service) must be equal to or greater than 90		Benefit will be between 24% and 35% depending on Average Final Salary (AFS).
Pre July 1, 2011	Post July 1, 2011								
Age 62 with 5 or more years eligibility service. 30 years (between 24% and 35% depending on Average Final Salary (AFS).	Age 65 with 10 or more years eligibility service.								
	Rule of 90 – age and years (eligibility service) must be equal to or greater than 90								
	Benefit will be between 24% and 35% depending on Average Final Salary (AFS).								
Early	Age 55 with 15 or more years of service. However, reduction of 6% per year (.5% for each month prior to age 62 – maximum reduction of 42%).								
Vesting	Must have 5 or more years eligibility service. Less than 5 years – time remains on books for period of time worked, if not re-employed service is lost.								
	Must have 10 or more years eligibility service. Less than 10 years – time remains on books for period of time worked, if not prior service is lost.								

Personal Benefits Statements Issued annually by Maryland State – usually October for period through June 30th (must be active as of June 30 in order to receive a benefit statement).

MSRS - Form 046 LWOP – protects death benefit while on LWOP and allows you to earn credited service. Must be received by Maryland State before leave begins.

Military Service Form 043 Must have 10 years credited service before you can apply for military credit. Maximum 5 years credit; however, cannot receive credit for military time if receiving a pension for that service.

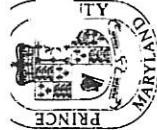


THE PRINCE GEORGE'S COUNTY GOVERNMENT
Executive Pension Benefits At-A-Glance

1400 McCormick Drive, Suite 110, Largo Maryland 20774

301-883-6390 (main) 301-883-6031 (fax)

	Maryland State Pension System Defined Benefit Plan	ICMA 401 Defined Contribution Plan	General Schedule Supplemental Pension Plan
Contributions	Zero, unless earning over the SSWB of \$127,200 in 2017, then 5% contribution is required for excess earnings.	5% employee & 10% employer contributions invested by participant in various funds.	For FY18 employees contribute 3.13% of base salary and the County contributes 6.97% of base salary.
Vesting	Prior to 07/01/2011 100% after 5 years of eligibility service or attainment of normal retirement date of age 62.	After 07/01/2011 100% after age 40.	Prior to 07/01/2012 100% after 5 years of eligibility service or attainment of normal retirement date of age 62.
Benefit Calculation	Annual benefit is .8% of average annual compensation up to the SSIL then 1.5%. (utilizing average of 5 highest consecutive years of earnings)	Annual benefit is 8% of average annual compensation up to the SSIL then 1.5%. (utilizing average of 3 highest consecutive years of earnings)	Annual benefit is 1% of average annual compensation for every year of service capped at 30%. (average of 3 highest consecutive years of base pay)



THE PRINCE GEORGE'S COUNTY GOVERNMENT
Executive Pension Benefits At-A-Glance

1400 McCormick Drive, Suite 110, Largo Maryland 20774

301-883-6390 (main) 301-883-6031 (fax)

	Prior to 07/01/2011	After 07/01/2011	Various withdrawal options: • Periodic payment schedules • Transfer to traditional IRA • Immediate retirement annuity • Lump sum payment	Prior to 07/01/2012	After 07/01/2012
Normal	Age 62 with 5 years of service	Age 65 with 10 years of service;	• Rule of 90 – age and years of service must be equal to or greater than 90	Age 62 with 5 years of service	Age 65 with 10 years of service;
Early Retirement	Age 55 with at least 15 years of service.	Age 60 with at least 15 years of service	N/A	Age 55 with at least 15 years of service.	Age 60 with at least 15 years of service
Ordinary and Accidental Disability Benefits	Ordinary disability calculations uses the service retirement formula with service projected to age 62.	Accidental disability calculations is equal to two-thirds of average final salary.	N/A	N/A	N/A
Military Service Credit	Must have 10 years credited service before you can apply for military	N/A	N/A	N/A	N/A
Health Insurance	When you retire, you may request various deductions from your monthly retirement payments for health benefits.	N/A	When you retire, you may request various deductions from your monthly retirement payments for health benefits.	N/A	N/A
COLA	July 1st of each year.	N/A	N/A	N/A	N/A
Personal Benefits Statements	Issued annually by the Maryland State Pension System in October for the period through June 30th.	Issued quarterly by ICMA Retirement Corp. Website availability for daily access to investment performance data and financial market news.	N/A	N/A	N/A

**PRESENTATION TO
COMPENSATION REVIEW BOARD
Taxable Auto Program**

Monday, November 13, 2017 at 4:00 p.m.
Room 2027 – County Administration Building

Presenters:

Gail D. Francis

Director

OFFICE OF FINANCE

Richard “Rick” Hilmer

Fleet Manager

OFFICE OF CENTRAL SERVICES

Mobility is essential for County Executive and Council Member Job Functions

- **Guiding Policy** = Administrative Procedure 610: Vehicle Assignments, Use and Charges – Including Internal Revenue Fringe Benefit Costs (Effective 10/18/2011) -- ***Appendix #1***
- Administration of vehicle program is shared responsibility between the Office of Central Services (primary) and the Office of Finance (fiscal components)
- Evaluation of agency Vehicle Allocation Plan is part of the annual budget process
- County vehicle program has several assignment types and exemptions
 - **Elected officials have four (4) vehicle options**
 - Option #1 – Work Day Use
 - Option #2 – Mileage Reimbursement
 - Option #3 – Take Home Assignment*
 - Option #4 – Automobile Allowance*

*Income tax consequences

OPTION #1

Work Day Use

- County Vehicle
- Processing Form – Vehicle Assignment Request (VAR) -- ***Exhibit #1***
- 100% business use
- Commuting and personal use prohibited
- Park overnight at primary worksite
- Non-taxable business expense

OPTION #2

Mileage Reimbursement

- Personal Vehicle
- Processing Form – biweekly reporting of business use on Payment Voucher -- ***Exhibit #2***
- Reimbursement at 36 cents per mile (amount set during the annual budget process)
- IRS 2017 Standard Mileage Rate is 53.5 cents per mile for business miles driven
- Non-taxable reimbursement of business expense

OPTION #3

Take Home Assignment

- County Vehicle
- Processing Form – Vehicle Assignment Request (VAR) for each new or modified car assignment - - *Exhibit #1*
- 100% taxable under “IRS Lease Value Rule” IRS’ Annual Publication 15-B “Employer’s Tax Guide to Fringe Benefits” – *Appendix #2*
- Accountability is responsibility of the assignee
- Business costs can be reported as tax deductions with annual income tax filing

OPTION #3

Take Home Assignment

IMPUTED VALUE OF ANNUAL LEASE COST – TAXABLE FRINGE BENEFIT

- By mid-January following a Gubernatorial General Election, updated VAR's for all assignees must be submitted for re-approval (January 2019)
- Fleet determines the Fair Market Value (FMV) of the assigned vehicle
- The Annual Lease Value (ALV) of the assigned vehicle is derived from the ALV table (*Appendix #3*) reported in the IRS' Annual Publication 15-B "Employer's Tax Guide to Fringe Benefits" – *Appendix #2*
- Finance converts the Annual Lease Value to a biweekly dollar amount (ALV divided by 26 pay periods) which appears as "CAR" earnings on the biweekly pay advice – *Exhibit #3*
- This method is used to add the "value" of the vehicle to taxable wages for collection of payroll taxes only for this taxable fringe benefit – there is no cash payment
- Finance reports the associated tax withholdings on the assignee's W-2 tax form

OPTION #3

Take Home Assignment

TAXABLE WAGES ADJUSTED AT CLOSE OF TAX YEAR FOR VALUE OF COUNTY FUEL

- By December 15 --- Fleet sends a mileage report to Finance with all miles driven and fuel withdrawn from County-owned pumps by the assignee (reporting period is from December 1 to November 30)
- Finance will determine taxable cost by multiplying total miles driven by the IRS' current fuel rate (5.5 cents per mile for tax year 2017)
- Finance adds the fuel cost to assignee's year-to-date "VEHICLE FUEL USAGE" earnings on the final biweekly pay advice. The value of the County fuel is a taxable fringe benefit that Finance will include with the assignee's W-2 taxable wages for reporting purposes only – there is no cash payment -- ***Exhibit #3***
- Assignees should maintain detailed records documenting the actual business use of the County vehicle for deduction on personal income tax filings -- ***Exhibit #4***

OPTION #4

Automobile Allowance

- Personal Vehicle
- Processing Form – Application for Automobile Allowance -- ***Exhibit #5***
- Legislative authority for taxable benefit is CR-78-2001 “Exempt Employees Salary Plan” -- ***Appendix #4***
- Disallowed benefits / expenses from County
 - Use of County vehicles
 - Mileage reimbursements
 - County fuel withdrawals
 - Vehicle repairs / maintenance
 - Other similar costs
- Assignee is responsible for primary insurance coverage for any damages or liabilities that may occur while operating personal vehicle for County business purposes
- 100% taxable compensation per IRS Code
- Business costs can be reported as tax deductions with annual income tax filing

OPTION #4

Automobile Allowance

CALCULATION OF ANNUAL AUTOMOBILE ALLOWANCE – TAXABLE FRINGE BENEFIT

- By November 15 – Fleet computes annual Automobile Allowance for assignees utilizing the following cost components
 - Estimated vehicle purchase price
 - Annual amortization of vehicle over five years @ 4% interest rate
 - Annual maintenance cost
 - Annual fuel cost (12,000 miles)
 - Annual insurance cost (provided by County insurance broker)

OPTION #4

Automobile Allowance

- By December 15 (or pay cycle when allowance begins), assignee must submit annual application for Automobile Allowance for approval by either the Council Administrator or the Chief Administrative Officer
- Finance will convert the blended value to a biweekly dollar amount that appears as "VEHICLE ALLOWANCE" earnings on the assignee's biweekly pay advice -- ***Exhibit #6***
- This taxable fringe benefit is included in the assignee's bi-weekly take home pay

OPTION #4

Automobile Allowance

AUTOMOBILE ALLOWANCE HISTORY					
TAX YEAR	INTERMEDIATE SEDAN	INTERMEDIATE SUV	MID-SIZE SUV	BLENDDED ANNUAL VALUE	BIWEEKLY PAYMENT
2018	\$9,812	\$9,980	\$10,588	\$10,127	\$389.49
2017	\$9,811	\$9,979	\$11,154	\$10,315	\$396.72
2016	\$8,892	\$9,456	\$10,716	\$9,688	\$372.62
2015	\$10,672	\$12,160	\$12,846	\$11,893	\$457.41
2014	\$9,803	\$10,486	\$12,058	\$10,782	\$414.71
2013	\$8,967	\$9,212	\$11,456	\$9,878	\$379.94
2012	\$9,082	10,366*	\$10,902	\$10,117	\$389.11
2011	\$8,180	\$9,470*	\$9,518	\$9,056	\$348.31
2010	\$8,904	\$9,857*	\$10,255	\$9,672	\$372.00

*Value based on Full-Size Sedan (Crown Victoria) vehicle category which was later replaced with the Intermediate -Size SUV (Jeep Liberty) vehicle category.

SUMMARY

Taxable Auto Program

- 2011 Re-engineering of Program – increased accountability and decreased administrative tasks
- Estimated annual value of taxable fringe benefits provided to Elected Officials related to vehicle use – roughly \$10,000 for tax year 2016 as illustrated in the table below
- Actual tax liability is dependent on assignee's:
 - Reported business use
 - Personal tax circumstance

Auto Allowance (CASH)	\$9,688
Average Amortized Vehicle Payments	\$4,320
Average Maintenance Cost	2,880
Average Fuel Cost	988
Average Insurance Cost	1,500
	\$9,688

RESOURCE DOCUMENTS

and Relevant Forms

<u>EXHIBITS</u>	<u>DESCRIPTION</u>
Exhibit #1	Vehicle Assignment Request (VAR) Form #923
Exhibit #2	Payment Voucher Form (Mileage Reimbursements)
Exhibit #3	Sample pay advice illustrating Take Home assignment
Exhibit #4	Sample Monthly Vehicle Mileage and Expense Log for Income Tax Filings
Exhibit #5	Application for Automobile Allowance
Exhibit #6	Sample pay advice illustrating Automobile Allowance

<u>APPENDICES</u>	<u>DESCRIPTION</u>
Appendix #1	Administrative Procedure 610: Vehicle Assignments, Use and Charges – Including Internal Revenue Fringe Benefit Costs
Appendix #2	IRS Annual Publication 15-B "Employer's Tax Guide to Fringe Benefits"
Appendix #3	IRS Annual Lease Value Table
Appendix #4	Council Resolution 78-2001

APPENDIX H-1
Prince George's County Council Member Salary History

Date	Year	Salary	% Change	Legislation/Description
	1970	\$15,000.00		Charter Government
12/2/1974	1974	\$18,000.00		CB-125-1974 Annual \$18K; adjusted annually
12/1/1975	1975	\$19,174.50	6.5%	by 75% of one year Percentage change as of 8/31; Chair \$2,500 & Vice Chair \$1,000
12/6/1976	1976	\$19,965.45	4.1%	
12/5/1977	1977	\$20,953.74	5.0%	Additional*
12/4/1978	1978	\$22,210.96	6.0%	
12/3/1979	1979	\$24,209.95	9.0%	
12/1/1980	1980	\$26,497.79	9.5%	
12/7/1981	1981	\$28,624.24	8.0%	
12/6/1982	1982	\$29,869.39	4.4%	
12/5/1983	1983	\$30,384.64	1.7%	
12/3/1984	1984	\$31,227.81	2.8%	
12/2/1985	1985	\$31,930.44	2.3%	
12/1/1986	1986	\$40,000.00		CB-114-1986 Annual \$40K; CPI-W adjusted
12/7/1987	1987	\$41,200.00	3.00%	Annually by 75% of One year Percentage
12/5/1988	1988	\$42,436.00	3.80%	change as of 7/31; Chair \$2,500 & Vice Chair
12/4/1989	1989	\$44,059.18	3.40%	\$1,000 Additional*
12/3/1990	1990	\$45,546.17	3.30%	
12/2/1991	1991	\$47,049.20	2.30%	
12/7/1992	1992	\$48,143.09	2.00%	
12/6/1993	1993	\$49,117.99	2.00%	
12/5/1994	1994	\$50,075.79	2.10%	
12/4/1995	1995	\$51,127.38	2.20%	
12/2/1996	1996	\$52,239.40	1.90%	
12/1/1997	1997	\$52,947.00	1.20%	
12/7/1998	1998	\$53,529.00	1.10%	
12/6/1999	1999	\$54,332.00	1.10%	
12/4/2000	2000	\$55,853.00	2.80%	
12/3/2001	2001	\$56,803.00	1.70%	
12/2/2002	2002	\$70,000.00		CB-83-2002 Annual \$70K; CPI-W adjusted
12/1/2003	2003	\$71,470.00	2.1%	Annually by 75% of One year Percentage
12/6/2004	2004	\$73,114.00	2.3%	change as of 7/31; Chair \$5,000 & Vice Chair
12/5/2005	2005	\$75,307.00	3.0%	\$2,500 Additional; quadrennial review
12/4/2006	2006	\$89,000.00		CB-68-2006 Annual \$89K; CPI-W adjusted
12/3/2007	2007	\$92,026.00	3.4%	Annually by 100% of One year Percentage
12/1/2008	2008	\$97,087.00	5.5%	change as of 10/1; Chair \$5,000 & Vice Chair
12/7/2009	2009	\$96,417.00	-0.69%	\$2,500 Additional
12/6/2010	2010	\$96,417.00	FROZEN	2010 Charter Recommendation CPI-U
12/5/2011	2011	\$99,695.00	3.4%	(CUURA3115AO) adjusted Annually by 100% of
12/3/2012	2012	\$102,486.00	2.8%	One year Percentage change as of 9/30; should
12/2/2013	2013	\$103,716.00	1.2%	decrease occur, current salary remains
12/1/2014	2014	\$108,902.00	5.0%	2014 Recommendation: 5% increase for 2014
12/7/2015	2015	\$114,347.00	5.0%	& 2015, greater of \$3K or CPI-U for 2016 &
12/5/2016	2016	\$117,347.00	3K or CPI-U	2017; each year 5% Chair and 2.5% Vice Chair
12/4/2017	2017	\$120,347.00	3K or CPI-U	(CB-68-2014) ('16 .8%)

* Years 1975 - 1985 & 1987 - 1995, annual salary estimated due to missing historical data

APPENDIX H-2

County Executive and Council Salary by Fiscal Year

County Executive			
Fiscal Year	Date Range	Salary	Effective Date
2007	7/1/06 – 6/30/07	\$160,000.00	12/4/06
2008	7/1/07 – 6/30/08	\$165,440.00	12/3/07
2009	7/1/08 – 6/30/09	\$174,539.30	12/1/08
2010	7/1/09 – 6/30/10	FROZEN	12/7/09
2011	7/1/10 – 6/30/11	FROZEN	12/6/10
2012	7/1/11 – 6/30/12	\$180,473.63	12/5/11
2013	7/1/12 – 6/30/13	\$185,526.90	12/2/12
2014	7/1/13 – 6/30/14	\$187,753.00	12/2/13
2015	7/1/14 – 6/30/15	\$197,141.00	12/8/14
2016	7/1/15 – 6/30/16	\$206,998.00	12/7/15
2017	7/1/16 – 6/30/17	\$209,998.00	12/5/16
2018	7/1/17 – 6/30/18	TBD	TBD

County Council Chairperson			
Fiscal Year	Date Range	Salary	Effective Date
2007	7/1/06 – 6/30/07	\$94,000.00	12/4/06
2008	7/1/07 – 6/30/08	\$97,026.00	12/3/07
2009	7/1/08 – 6/30/09	\$102,087.00	12/1/08
2010	7/1/09 – 6/30/10	\$101,417.00	12/7/09
2011	7/1/10 – 6/30/11	FROZEN	12/6/10
2012	7/1/11 – 6/30/12	\$104,695.00	12/5/11
2013	7/1/12 – 6/30/13	\$107,486.00	12/3/12
2014	7/1/13 – 6/30/14	\$108,716.00	12/2/13
2015	7/1/14 – 6/30/15	\$114,347.00	12/8/14
2016	7/1/15 – 6/30/16	\$120,064.00	12/7/15
2017	7/1/16 – 6/30/17	\$123,214.00	12/5/16
2018	7/1/17 – 6/30/18	TBD	TBD

County Council Vice Chairperson			
Fiscal Year	Date Range	Salary	Effective Date
2007	7/1/06 – 6/30/07	\$91,500.00	12/4/06
2008	7/1/07 – 6/30/08	\$94,526.00	12/3/07
2009	7/1/08 – 6/30/09	\$99,587.00	12/1/08
2010	7/1/09 – 6/30/10	\$98,917.00	12/7/09
2011	7/1/10 – 6/30/11	FROZEN	12/6/10
2012	7/1/11 – 6/30/12	\$102,195.00	12/5/11
2013	7/1/12 – 6/30/13	\$104,986.00	12/3/12
2014	7/1/13 – 6/30/14	\$106,216.00	12/2/13
2015	7/1/14 – 6/30/15	\$111,625.00	12/8/14
2016	7/1/15 – 6/30/16	\$117,206.00	12/7/15
2017	7/1/16 – 6/30/17	\$120,281.00	12/5/16
2018	7/1/17 – 6/30/18	TBD	TBD

County Executive and Council Salary by Fiscal Year

County Council Members			
Fiscal Year	Date Range	Salary	Effective Date
2007	7/1/06 – 6/30/07	\$89,000.00	12/4/06
2008	7/1/07 – 6/30/08	\$92,026.00	12/3/07
2009	7/1/08 – 6/30/09	\$97,087.00	12/1/08
2010	7/1/09 – 6/30/10	\$96,417.00	12/7/09
2011	7/1/10 – 6/30/11	FROZEN	12/6/10
2012	7/1/11 – 6/30/12	\$99,695.00	12/5/11
2013	7/1/12 – 6/30/13	\$102,486.00	12/3/12
2014	7/1/13 – 6/30/14	\$103,716.00	12/2/13
2015	7/1/14 – 6/30/15	\$108,902.00	12/8/14
2016	7/1/15 – 6/30/16	\$114,347.00	12/7/15
2017	7/1/16 – 6/30/17	\$117,347.00	12/5/16
2018	7/1/17 – 6/30/18	TBD	TBD

PRINCE GEORGE'S COUNTY GOVERNMENT

CHART OF COMPENSATION CHANGES FOR EMPLOYEES SUBJECT TO COLLECTIVE BARGAINING AND GENERAL SCHEDULE
December 4, 2017

UNION SWORN	FY 2016	FY 2017	FY 2018 ¹
POLICE (Sworn) Fraternal Order of Police (FOP) Lodge 89	1% General Adjustment (COLA) effective April 1, 2016 Increment 3.5%--delayed until FY 2017	No General Adjustment (COLA) Delayed FY 2016 increment paid on anniversary dates	No General Adjustment (COLA) FY 2017 and FY 2018 increments paid on anniversary dates
FIRE/EMS (Sworn) International Association of Fire Fighters (IAFF) Local 1619	1% General Adjustment (COLA) effective April 1, 2016 Increment 3.5%--delayed until FY 2017	2% General Adjustment (COLA) effective July 2017 Delayed FY 2016 increment paid on anniversary dates	2% General Adjustment (COLA) effective January 2018 FY 2017 and FY 2018 increments paid on anniversary dates Max rate scale increased 3.5%
SHERIFF (Sworn) Deputy Sheriff's Association (DSA)	1% General Adjustment (COLA) effective April 1, 2016 Increment 3.5%--delayed until FY 2017	No General Adjustment (COLA) Delayed FY 2016 increment paid on anniversary dates	1.5% General Adjustment (COLA) effective January 2018 FY 2017 increment paid on anniversary dates
CORRECTIONS (Sworn) Prince George's Correctional Officers' Association, Inc. (PGCOA)	No General Adjustment (COLA) No Increment	No General Adjustment (COLA) No Increment	3% General Adjustment (COLA) paid effective October 2017 FY 2017 and FY 2018 increments paid on anniversary dates Max rate scale increased 3.5%
UNION CIVILIAN	FY 2016	FY 2017	FY 2018 ¹
POLICE (Civilian) Police Civilian Employees Association (PCEA)	No General Adjustment (COLA) No Increment	No General Adjustment (COLA) No Increment	2% General Adjustment (COLA) effective October 2017 FY 2017 and FY 2018 increments paid on anniversary dates Max rate scale increased 3.5%
FIRE/EMS (Civilian) International Association of Fire Fighters (IAFF) Local 1619	No General Adjustment (COLA) No increment	No General Adjustment (COLA) No Increment	2% General Adjustment (COLA) effective October 2017 FY 2017 and FY 2018 increments to be paid on anniversary dates Max rate scale increased 3.5%

¹ All bargaining unit and County employees will pay an additional 3% towards the cost of their health insurance premiums.

SHERIFF (Civilian) Deputy Sheriff's Association Civilian Unit	No General Adjustment (COLA) No Increment	No General Adjustment (COLA) No Increment	2% General Adjustment (COLA) effective October 2017 FY 2017 and FY 2018 increments paid on anniversary dates Max rate scale increased 3.5%
CORRECTIONS (Civilian) Prince George's Correctional Officers' Association, Inc. (PGCOA) Civilian Unit	No General Adjustment (COLA) No Increment	No General Adjustment (COLA) No Increment	2% General Adjustment (COLA) beginning in October 2017 FY 2017 and FY 2018 increments paid on anniversary dates Max rate scale increased 3.5%
American Federation of State, County and Municipal Employees (AFSCME) AFL-CIO Master Contract	No General Adjustment (COLA) No Increment	3% General Adjustment (COLA) effective January 2017 No Increment	1% General Adjustment (COLA) effective January 2018 FY 2017 increment paid on anniversary date
American Federation of State, County and Municipal Employees (AFSCME) AFL-CIO Local 241 Crossing Guards	No General Adjustment (COLA) No Increment	3% General Adjustment (COLA) effective January 2017 No Increment	1% General Adjustment (COLA) effective January 2018 FY 2017 increment paid on anniversary date Max rate scale increased 3.5%
NON-UNION General Schedule	FY 2016	FY 2017	FY 2018
	No General Adjustment (COLA) No Increment	3% General Adjustment (COLA) effective January 2017 No Increment	1% General Adjustment (COLA) effective January 2018 FY 2017 increment paid on anniversary date

APPENDIX J-1

Salaries of County Council Members in Selected Jurisdictions¹
Fiscal Years 2014-2017

Fiscal Year	Prince George's County	Baltimore County	Baltimore City	Montgomery County	District of Columbia	Fairfax County, Virginia
2014	\$103,716	\$54,000	\$62,910	\$106,303	\$130,510	\$75,000
2015	\$108,902	\$62,500	\$64,491	\$113,310	\$132,990	\$75,000
2016	\$114,347	\$62,500	\$66,000	\$120,675	\$132,990	\$95,000
2017	\$117,347	\$62,500	\$68,000	\$128,519	\$137,144	\$95,000

Salaries of Chairpersons/Presidents of Council in Select Jurisdictions
Fiscal Years 2014-2017

Fiscal Year	Prince George's County	Baltimore County	Baltimore City	Montgomery County	District of Columbia	Fairfax County, Virginia
2014	\$108,716	\$60,000	\$108,173	\$116,185	\$190,000	\$ 75,000
2015	\$114,347	\$70,000	\$110,000	\$124,390	\$190,000	\$ 75,000
2016	\$120,064	\$70,000	\$113,000	\$132,710	\$190,000	\$100,000
2017	\$123,214	\$70,000	\$116,000	\$141,370.	\$190,000	\$100,000

Salaries of Vice Chairpersons/Vice Presidents of Council in Select Jurisdictions
Fiscal Years 2014-2017

Fiscal Year	Prince George's County	Baltimore County	Baltimore City	Montgomery County	District of Columbia	Fairfax County, Virginia
2014	\$106,216	\$54,000	\$69,540	\$106,394	\$130,510	\$75,000
2015	\$111,625	\$62,500	\$71,000	\$113,452	\$132,990	\$75,000
2016	\$117,206	\$62,500	\$73,000	\$120,826	\$132,990	\$95,000
2017	\$120,281	\$62,500	\$75,000	\$128,519	\$137,144	\$95,000

¹ All jurisdictions, with the exception of Prince George's County and Baltimore County, currently have at large members. All at large members in the various jurisdictions receive the same pay as the councilmembers elected within districts. Only the Chairperson in Fairfax County is elected at large.

APPENDIX J-2

County Executive Salary Comparable

	Prince George's County	Baltimore County	Montgomery County
Salary	\$209,998	\$175,000	\$190,728 (will receive salary increase in December)
Vehicle	Yes (there is a vehicle for use, and a driver)	No (but has a police officer that serves as a driver/bodyguard)	Yes (also has a driver)

County Council Salary Comparable

	Prince George's County	Baltimore County	Montgomery County
Council Chairperson			
Salary	\$123,214	\$70,000	\$132,743
Vehicle	No	No	No
Council Vice Chairperson			
Salary	\$120,281	N/A	N/A
Vehicle	No	N/A	N/A
Council Member			
Salary	\$117,347	\$62,500	\$120,675
Vehicle	No	No	No

APPENDIX K

Maryland State Government Structure FY 2018

Member Maryland House of Delegates	\$	50,330
Member Senate of Maryland	\$	50,330
Speaker of House of Delegates	\$	65,371
President of Senate	\$	65,371

Executive Service - Executive Pay Plan

Scale	Minimum	Midpoint	Maximum
ES4	\$ 79,953	\$ 93,277	\$ 106,604
ES5	\$ 85,902	\$ 100,252	\$ 114,600
ES6	\$ 92,333	\$ 107,785	\$ 123,236
ES7	\$ 99,275	\$ 115,923	\$ 132,569
ES8	\$ 106,773	\$ 124,711	\$ 142,646
ES9	\$ 114,874	\$ 134,203	\$ 153,532
ES10	\$ 123,618	\$ 144,451	\$ 165,281
ES11	\$ 133,069	\$ 155,522	\$ 177,977

Effective July 1, 2016 per Maryland Department of Budget and Management

Cabinet Secretary	ES9, ES10, ES11
Deputy Secretary	1 to 3 ES Grades lower than Cabinet Secretary
Attorney General	\$ 149,500
Treasurer	\$ 149,500
Comptroller of the Treasury	\$ 149,500
Lieutenant Governor	\$ 149,500
Governor	\$ 180,000

APPENDIX L

Federal Government Sector FY 17

Congressional Pay	\$ 174,000
Speaker of the House	\$ 223,500
Majority/Minority Leaders (House and Senate)	\$ 193,400
GS-15 (WashDCMetro)	\$103,672 - \$134,776
Senior Executive Service (SES)	\$124,406 - \$187,000
Executive Schedule	\$151,700 - \$207,800
Vice President	\$ 240,100
President	\$ 400,000

**PRINCE GEORGE'S COUNTY
2017-2018 COMPENSATION REVIEW BOARD
RESOLUTION**

A RESOLUTION concerning

Compensation Review Board

For the purpose of submission to the County Council of Prince George's County, its recommendations for the compensation and allowances for Members of the County Council and the County Executive.

WHEREAS, the Compensation Review Board consists of seven members. CB-70-2017 authorized the appointment of the Compensation Review Board, the composition of the Board, and the duties and responsibilities of the Board; and

WHEREAS, Section 10-302 and Section 10-303 of the Local Government I Article of the Annotated Code of Maryland and Section 308 and Section 406 of the Charter for Prince George's County set forth the statutory framework for the work of the Compensation Review Board; and

WHEREAS, Section 10-302 (b)(1) of the Local Government I Article of the Annotated Code of Maryland provides that within 15 days after the beginning of the fourth year of the term, a commission established under this section, by resolution, shall submit to the county legislative body its recommendation for the compensation and allowances for members of the county legislative body; and

WHEREAS, Section 10-303(a) of the Local Government I Article of the Annotated Code of Maryland provides that if a county executive is authorized, the county may set the qualifications, term of office and compensation for the county executive; and

WHEREAS, the Compensation Review Board reviewed data regarding salary history, salary setting methodology, changes in the Consumer Price Index, comparable County, local, and regional jurisdiction data, as well as comparable State and Federal data that provide the basis for the recommendations of the Compensation Review Board.

NOW, THEREFORE, BE IT RESOLVED by the 2017-2018 Compensation Review Board, that for the County Council:

See Attachment A, Compensation Enhancement Proposal/Recommendation attached hereto and made a part herein

**PRINCE GEORGE'S COUNTY
2017-2018 COMPENSATION REVIEW BOARD
RESOLUTION**

- (a) It is the recommendation of the Compensation Review Board, that:
- (b) the members of the County Council shall receive compensation for the performance of their public duties under the Charter
- (c) The December 2017 base year salary (the final salary level for the current County Council) be adjusted by the Consumer Price Index for All Urban Consumers (CPI-U), beginning on the first Monday in December 2018;
- (d) In addition, County Council Members receive a one-time salary adjustment in the amount of \$10,000 per annum that will be received in December 2018. This one-time adjustment is intended to offset the expected elimination of the automobile allowance, provided that the County Council enacts legislation in Legislative Year 2018 to repeal the benefit for Council Members;
- (e) In the amounts adjusted annually, beginning in year two (2019), in year three (2020) and in year four (2021) respectively, with an increase equal to the percentage equivalent to the percentage by which the Consumer Price Index – All Urban Consumers (CPI-U) for September shall have increased from the preceding September. For any year the CPI-U is applied for salary adjustment purposes, should the CPI-U for any year reflect a decrease in the year-over-year rate, the salaries of the Members of the County Council shall remain at the previous year's salary level.
- (f) The compensation of the Chair of the County Council shall be fixed at five percent (5%) per annum in excess of the compensation of the other council members during such person's term as Chair, and the compensation of the Vice-Chair of the County Council shall be fixed at two and one half percent (2.5%) per annum in excess of the compensation of the other council members during such person's term as Vice-Chair.
- (g) The members of the Compensation Review Board voted unanimously (Favorable 7-0) on December 11, 2017 on the above-referenced recommendations.

BE IT FURTHER RESOLVED by the 2017-2018 Compensation Review Board, that for the County Executive:

See Attachment A, Compensation Enhancement Proposal/Recommendation attached hereto and made a part herein.

**PRINCE GEORGE'S COUNTY
2017-2018 COMPENSATION REVIEW BOARD
RESOLUTION**

- (a) It is the recommendation of the Compensation Review Board, that:
- (b) The County Executive shall receive compensation for the performance of his public duties under the Charter
- (c) There is no increase in the County Executive's salary in December 2018, year one of the term. The County Executive's salary will remain at \$212,998, the same level established in December 2017;
- (d) In the amounts adjusted annually, beginning in year two (2019); in year three (2020); and in year four (2021), respectively, with an increase equal to the percentage equivalent to the percentage by which the Consumer Price Index for All Urban Consumers (CPI-U) for September shall have increased from the preceding September for up to a maximum of \$3,000 in each of year two, year three and year four of the term. For any year the CPI-U is applied for salary adjustment purposes, should the CPI-U for any year reflect a decrease in the year-over-year rate, the salary of the County Executive shall remain at the previous year's salary level.
- (e) The members of the Compensation Review Board voted unanimously (Favorable 7-0) on December 11, 2017 on the above-referenced recommendations.

PRINCE GEORGE'S COUNTY
2017-2018 COMPENSATION REVIEW BOARD
RESOLUTION

Adopted this 18th day of December, 2017.

PRINCE GEORGE'S COUNTY
2017-2018 COMPENSATION
REVIEW BOARD

BY: 
Camille A. Exum
Chair

ATTEST:

Donna J. Brown, Deputy Clerk
Clerk of the Council

COMPENSATION ENHANCEMENT PROPOSAL
December 2018 through December 2021

Recommendation

COUNTY EXECUTIVE

		Dec-17	Salary Base	\$ 212,998	\$ Value of Salary Increase
Salary	Dec-18	Salary to Remain at Dec. 2017 level	\$ 212,998	\$ -	\$ -
	Dec-19	CPI-U - 2.5% Est. up to \$3000 max.	\$ 215,998	\$ 3,000	\$ 3,000
	Dec-20	CPI-U - 2.5% Est. up to \$3000 max.	\$ 218,998	\$ 3,000	\$ 3,000
	Dec-21	CPI-U - 2.5% Est. up to \$3000 max.	\$ 221,998	\$ 3,000	\$ 3,000

County Council Members

		Dec-17	Salary Base	\$ 120,347	<u>Council</u> <u>Members</u>	\$ Value of Salary Increase	<u>Council</u> <u>Chair</u>	<u>Council</u> <u>Vice Chair</u>	<u>Council</u> <u>2.5% Stipend</u>
Salary	Dec-18	CPI-U - 2.5% Est. plus \$10,000	\$ 133,356	\$ 13,009	\$ 140,023	\$ 136,690	\$ 143,524	\$ 140,107	\$ 143,609
	Dec-19	CPI-U - 2.5% Est.	\$ 136,690	\$ 3,334	\$ 143,524	\$ 140,107	\$ 147,112	\$ 143,609	\$ 147,200
	Dec-20	CPI-U - 2.5% Est.	\$ 140,107	\$ 3,417	\$ 147,112	\$ 143,609	\$ 150,790	\$ 147,200	\$ 147,200
	Dec-21	CPI-U - 2.5% Est.	\$ 143,609	\$ 3,503	\$ 150,790	\$ 147,200	\$ 154,493	\$ 152,096	\$ 154,589

Notes:

- 1 For any year where CPI-U is applied for salary adjustment purposes, should the CPI-U for any year reflect a decrease in the year-over-year rate, the salaries for the County Executive and the Members of the County Council shall remain at the previous year's salary level.
- 2 The recommended \$10,000 additional salary adjustment in December 2018 for Council Members is intended to offset the expected elimination of the automobile allowance, provided that the County Council enacts legislation in Legislative Year 2018 to repeal the benefit for Council Members.