



PRINCE GEORGE'S COUNTY
2013-2014
**COMPENSATION REVIEW BOARD
REPORT**

PRINCE GEORGE'S COUNTY
2013-2014 COMPENSATION REVIEW BOARD

The Honorable William D. Missouri, Co-Chair

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PRINCE GEORGE'S COUNTY
2013-2014 COMPENSATION REVIEW BOARD
County Administration Building
Upper Marlboro, Maryland 20772

February 14, 2014

The Honorable Mel Franklin
Chairman
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 Chairman Franklin and County Executive Baker,

The 2013-2014 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 2014 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, the Federal Government, and selected officials from comparable jurisdictions throughout the Nation. Further, the Board researched key indicators that have a direct effect on the compensation of the County Council Members and the County Executive. These indicators include: population, the Consumer Price Index (CPI), comparative compensation data, median household income, and the poverty rate.

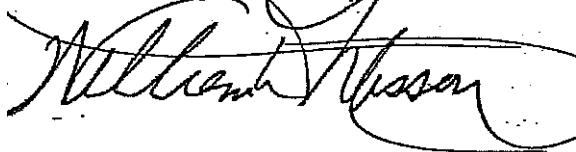
Letter to Chairman Franklin and
County Executive Baker
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Through its research, the Board found that the County Council Members in Montgomery County were currently paid slightly higher with additional increases in salary approved for the next four years which would further widen the disparity between them and Prince George's County Council Members. The County Executive of Montgomery County is currently paid slightly lower than the County Executive in Prince George's County. However, the County Executive in Montgomery County is scheduled for an increase in salary to \$190,000, with subsequent increases based on the Consumer Price Index in the following three years.

On average, the County Council Members of Prince George's County are paid more than members of the Maryland General Assembly, who sit in legislative session three months per year, and some State cabinet level executives. However, generally, State compensation tends to be lower than County compensation. Moreover, 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 more than the County Executive.

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read "William D. Missouri".

The Honorable William D. Missouri
Co-Chair

A handwritten signature in black ink, appearing to read "Camille A. Exum".

Camille A. Exum
Co-Chair

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2013-2014 COMPENSATION REVIEW BOARD REPORT
EXECUTIVE SUMMARY

- The Compensation Review Board consists of eight members.
- Charter Section 308 and Charter Section 406 authorized the appointment of the Compensation Review Board.
- The Compensation Review Board met eleven times from October 23, 2013 through February 5, 2014.
- 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 comparable jurisdictions throughout the Nation, including those in surrounding jurisdictions.
- The County Executive and several County Council Members were interviewed by the Compensation Review Board. The interviews provided the basis for determining position duties and responsibilities and commensurate compensation. The Compensation Review Board noted that the positions of the County Executive and 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 recommended that the salary of the County Executive and the County Council be increased by five percent in 2014, be increased by five percent in 2015, be increased by either the CPI change or \$3,000, whichever is greater in 2016, and be increased by either the CPI change or \$3,000, whichever is greater in 2017.
- The Compensation Review Board further recommended that compensation of the Chair of the County Council shall be fixed at five percent 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 per annum in excess of the compensation of the other council members during such person's term as Vice-Chair. This stipend is comparable to and consistent with current practice.

- The Compensation Review Board also recommended that the County contribution to the County's ICMA 401 Defined Contribution Plan increase from five to ten percent, while employees shall continue to contribute five percent of base salary. Beginning in December 2014, newly elected officials choosing this irrevocable option would not be eligible to participate under either the Maryland State Pension System Defined Benefit Plan or the General Schedule Supplemental Pension Plan. This option is in response to and assists in reducing the adverse impact of the ten year vesting requirement. This is intended to address changes that have occurred within the last four years that require elected officials to serve in government ten years to vest in retirement, which some may not be able to achieve. However, this retirement plan option will be less costly to government.
- Pursuant to the Charter, the Compensation Review Board is required to make recommendations regarding the amount of compensation not later than February 15th and the County Council may, within ninety days of the receipt of the recommendations, amend the recommendations by a vote of not less than two-thirds of the full County Council.

2013-2014 COMPENSATION REVIEW BOARD REPORT
RECOMMENDATIONS

Compensation Review Board Recommendations Pursuant to Charter Section 308

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

in the amount of \$108,902 per annum, a five percent increase, beginning in year one, on the first Monday in December 2014;

in the amount of \$114,347 per annum, a five percent increase, beginning in year two, on the first Monday in December 2015; and

in the amounts adjusted annually, beginning in year three, in year 2016 and again in year four, in year 2017, respectively, with an increase equal to the percentage equivalent to the percentage by which the Consumer Price Index for the Washington-Baltimore All Items area for September shall have increased from the preceding September or \$3,000, whichever is greater.

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 County contribution to the County's ICMA 401 Defined Contribution Plan shall increase from five percent (5%) to ten percent (10%), while employees will continue to contribute five percent (5%) of base salary.

The members of the Compensation Review Board voted unanimously (Favorable 8-0) on the above-referenced recommendations.

Subsequent to the vote, the Compensation Review Board further clarified its intent to attract and maintain quality individuals to public service. In this regard, there is a need to ensure and maintain fair, comparable, and competitive compensation packages in the future which will require continual review and incremental adjustment to avoid the erosion or diminishment of salary comparability.

2013-2014 COMPENSATION REVIEW BOARD REPORT
RECOMMENDATIONS

Compensation Review Board Recommendations Pursuant to Charter Section 406

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

in the amount of \$197,141 per annum, a five percent increase, beginning in year one, on the first Monday in December 2014;

in the amount of \$206,998 per annum, a five percent increase, beginning in year two, on the first Monday in December 2015; and

amounts adjusted annually, beginning in year three, in year 2016 and again in year four, in year 2017, respectively, with an increase equal to the percentage equivalent to the percentage by which the Consumer Price Index for the Washington-Baltimore All Items area for September shall have increased from the preceding September or \$3,000, whichever is greater.

The County contribution to the County's ICMA 401 Defined Contribution Plan shall increase from five percent (5%) to ten percent (10%), while employees will continue to contribute five percent (5%) of base salary.

The members of the Compensation Review Board voted unanimously (Favorable 8-0) on the above-referenced recommendations.

Subsequent to the vote, the Compensation Review Board further clarified its intent to attract and maintain quality individuals to public service. In this regard, there is a need to ensure and maintain fair, comparable, and competitive compensation packages in the future which will require continual review and incremental adjustment to avoid the erosion or diminishment of salary comparability.

COMPENSATION ENHANCEMENT PROPOSAL

COUNTY EXECUTIVE

| | | | |
|--------|--------|-----------------------------|---------------------------------------|
| Salary | Dec-14 | 5% Increase | \$ 197,141 |
| | Dec-15 | 5% Increase | \$ 206,998 |
| | Dec-16 | Greater of \$3,000 or CPI-U | \$ 209,998 * Reflects minimum \$3,000 |
| | Dec-17 | Greater of \$3,000 or CPI-U | \$ 212,998 * Reflects minimum \$3,000 |

County Council Members

| | | | <u>Council</u> <u>Members</u> | <u>Council</u> | <u>Council</u> |
|--------|--------|-----------------------------|---------------------------------------|----------------|-------------------|
| | | | | <u>Chair</u> | <u>Vice Chair</u> |
| Salary | Dec-14 | 5% Increase | \$ 108,902 | \$ 114,347 | \$ 111,625 |
| | Dec-15 | 5% Increase | \$ 114,347 | \$ 120,064 | \$ 117,206 |
| | Dec-16 | Greater of \$3,000 or CPI-U | \$ 117,347 * Reflects minimum \$3,000 | \$ 123,214 | \$ 120,281 |
| | Dec-17 | Greater of \$3,000 or CPI-U | \$ 120,347 * Reflects minimum \$3,000 | \$ 126,364 | \$ 123,356 |

County Executive and County Council Members

In addition to the current pension options for elected officials, an Enhanced ICMA 401 Defined Contribution Plan option would be available.

An elected official choosing this irrevocable option would not be eligible to participate under either the Maryland State Pension System Defined Benefit Plan or the General Schedule Supplemental Pension Plan.

Enhanced ICMA 401 Defined Contribution Plan

Employee contributes 5% of base salary and the County contributes 10% . Participant selects investments in various funds.

Vesting - 100% after age 40.

Withdrawl Options:

Periodic Payment Schedules

Transfer to Traditional IRA

Immediate Retirement Annuity

Lump Sum Payment

Discussion Points

For elected officials who currently select both the Maryland State Pension System DBP and the GS Supplemental Pension Plan the total County contribution is currently 14.77%.

For elected officials who currently select the existing ICMA 401 DCP and the GS Supplemental Pension Plan the total County contribution is currently 13.3%.

The Enhanced ICMA 401 DCP likely would be attractive to elected officials who do not anticipate meeting either the State or County 10-year vesting requirements.

Defined Contribution Plans limit State and County liability compared to Defined Benefit Plans.

2013-2014 COMPENSATION REVIEW BOARD REPORT

Introduction

The Compensation Review Board consists of eight members.¹ CR-64-2013 and CR-103-2013 authorized the appointment of the Compensation Review Board, the composition of the Board, and the duties and responsibilities of the Board. 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 The Board convened eleven times from October 23, 2013 to February 5, 2014.

Information referenced in this 2013-2014 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, comparative County, local, and regional jurisdiction data, as well as comparative State and Federal data. Demographic data examined includes population, median household income, and poverty statistics. The result of this study is the recommendations contained herein.

Included in the data was information on base salaries, formulas for increases and allowances, benefits and pensions. 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.

Generally, the information gathered on salaries for the County Executive and County Council Members demonstrated that their salaries range from lower to nearly comparable to that of other jurisdictions with similar demographics and job responsibilities. Of note is the job responsibility for fiscal oversight of a \$3.27 billion County budget, 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. 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 Maryland-National Capital Park and Planning Commission. The operating budgets for these entities total approximately \$4.4

¹ See Appendix A-1 and Appendix A-2, respectively for the appointment resolutions. (CR-64-2013 and CR-103-2013)

² See Appendix B-1 and Appendix B-2, respectively for Charter Section 308 and Charter Section 406.

billion.³ The capital budgets total an additional \$3.3 billion. In total, the County Council Members and the County Executive have oversight and/or fiscal responsibility for approximately \$7.7 billion.

Several County Council Members and the County Executive were interviewed by the Compensation Review Board to evaluate their 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.⁴

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, regional and State level.

For this additional work, it is recommended 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.

As to the executive benefits the County Executive and County Council Members are eligible to receive, which includes Executive Life Insurance (ELI) and Executive Long Term Disability (ELT), the benefits are comparable and, in some areas, slightly enhanced compared to that of other jurisdictions. 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.⁵

³ See Appendix I-1, I-2, I -3, I-4 Prince George's County Operating Budget, MNCPPC Operating Budget, WSSC Budget and Compensation/Benefits Summary.

⁴ See Appendix H-1 Prince George's County Council, Council Member – Responsibilities/Duties. See Appendix H-2 County Executive – Responsibilities/Duties.

⁵ See Appendix J-1 Executive Benefits at a Glance 2014. See Appendix J-2 Executive Benefit Plans. See Appendix J-3 Taxable Auto Program. See Appendix J-4 Prince George's County Executive Salaries and Benefits from Tax Year 2006 to Tax YTD 2013. See Appendix J-5 Executive Pension Benefits at a Glance 2014.

The Director of the Office of Human Resources Management briefed the Compensation Review Board on these executive level benefits. The Compensation Review Board was briefed by the Director of Finance and the Fleet Manager of the Office of Central Services on the Taxable Auto Program. Several options available to Council Members and the County Executive for county vehicle use or personal vehicle use were reviewed.

Further, the Board was briefed by the Office of Human Resources Management on executive pensions. The current vesting rights present some challenges for term limited elected officials. These challenges are addressed by the Compensation Review Board in their pension recommendations.

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.⁶ County Council Member salaries rose from \$96,417 in 2010 to \$103,716 in 2013. The salary of the County Executive rose from \$174,539 in 2010 to \$187,753 in 2013.

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, in each of the years following the base adjustment year at the beginning of a 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; and from 2005 to 2006, the salary base increased from \$75,307 to \$89,000. In 2009 and 2010, salaries were not increased due to the economic downturn and the negative CPI.

Consumer Price Index (CPI)

Historically, in Prince George's County, increases in County Council and County Executive salaries have been based on the annual change in the Consumer Price Index for All Urban Consumers – Washington-Baltimore, DC-MD-VA-WV Metropolitan Area. Prince George's County is projecting these annual increases in the CPI over the following years: 2014 – 1.90%, 2015 – 2.10%, 2016 – 2.10%, 2017 – 2.20%, 2018 – 2.30% and 2019 – 2.30%. Similarly,

⁶ See Appendix C-1 and C-2, respectively for historical salary data. Appendix C-1 for County Council Members and Appendix C-2 for the County Executive.

Montgomery County salaries of the County Council Members and the County Executive have previously been tied to the annual change in the CPI.⁷

Historical data on the CPI provides information about past increases in the CPI from 2006 through 2013.⁸ The recommendations contained in this Final Report are similar to past recommendations regarding the use of the CPI. The difference in the recommendations for this term is that this term contains specific percentage increases in the first two years and CPI increases in the last two years.

Comparative County Data

Salaries 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 2006 to Fiscal Year 2015.⁹

In Fiscal Year 2006 through Fiscal Year 2009, sworn police received an increment of 3.5% in each year, received a COLA in the amount of 3.0% in three of the four years, received a 2.5% COLA in one of the four years, and received a 2.5% to 3.5% top of range adjustment in the first two years.

During the same period, Fiscal Year 2006 - Fiscal Year 2009, sworn fire received an increment of 3.5% in each year, received a COLA in the amount of 3.0% for the first two years and received a COLA in the amount of 2.5% for the last two years; and received a 2.5% top of range adjustment for the first two years.

Similarly, General Schedule employees, during the same period, Fiscal Year 2006 - Fiscal Year 2009, received an increment in the amount of 3.5% and a COLA in the amount of 2.5%. These increases out-pace the salary increases for County Council Members and the County Executive for the same period.

In Fiscal Year 2010 and Fiscal Year 2011, County employees, including union employees did not receive COLA increases or merit increases and County employees were furloughed eighty (80) hours in Fiscal Year 2009 and in Fiscal Year 2010. For County Council Members, in Fiscal Year 2009, salaries declined by -0.69%, associated with the CPI decrease and in Fiscal Year 2010 salaries were frozen at the Fiscal Year 2009 level.

In Fiscal Year 2014, County Council Members are being paid \$103,716 and the County Executive is being paid \$187,753. In the same year, sworn police are receiving an increment in

⁷ See Appendix F-1 Change in Consumer Price Index. Washington-Baltimore Area (2010 – 2019).

⁸ See Appendix F-2 CPI Washington-Baltimore Area from 2006 through 2013.

⁹ See Appendix G-1 Prince George's Government. Compensation Fiscal Year 2006 through Fiscal Year 2015.

the amount of 3.5%, a \$1,700 lump sum payment, and a 2.5% top of range adjustment. Sworn police are scheduled to receive a 3.5% increment in Fiscal Year 2015. Similarly, sworn fire is receiving three merit step increases at 3.5% and a 3.5% top of range adjustment. Moreover, collective bargaining units, other than sworn personnel, received COLA's ranging from 2% to 5% and some received multiple merit increases up to 3.5% each. In Fiscal Year 2014, General Schedule employees are receiving a 5% COLA, being provided in increments of 2.5%. The Compensation Review Board is recommending a 5% increase in 2014 and a 5% increase in 2015, for the County Council Members and the County Executive, which is in line or somewhat below other County employee percentage increases.

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 is paid \$187,753 in Fiscal Year 2014. Comparatively, the Chief Executive Officer of Prince George's Public Schools is paid an annual salary of \$290,000, and an additional deferred compensation package, a COLA, annual bonus eligibility, pension, health benefits and automobile benefits. The General Manager of the Washington Suburban Sanitary Commission is paid an annual salary of \$262,650 and an additional deferred compensation package, a COLA, annual bonus eligibility, pension, health benefits and automobile benefits. The Chairperson of the Prince George's County Planning Board is paid an annual salary of \$201,125 and receives additional compensation in the form of a COLA, pension, health benefits and automobile benefits.

Local and Regional Jurisdictions

Salaries in selected local and regional jurisdictions were evaluated.¹¹ In Fiscal Year 2014, the Mayor of the District of Columbia made \$200,000 and the County Executive of Montgomery County made \$180,250 compared to \$187,753 made by the County Executive in Prince George's County. Beginning on December 1, 2014 the annual salary of the Montgomery County Executive will be \$190,000 and will increase annually over the subsequent three years by the increase in the Consumer Price Index.

In Fiscal Year 2014, the salary for Council Members in the District of Columbia is \$130,510 and the Council Members in Montgomery County is \$104,022, compared to \$103,716 made by County Council Members in Prince George's County. Salaries of Montgomery County Council Members will rise to \$113,310 beginning in December 1, 2014, to \$120,675 beginning on December 7, 2015, to \$128,519 beginning on December 5, 2016, and to \$136,258 beginning on December 4, 2017.

¹⁰ See Appendix I-1, I-2, I-3 and I-4 Salaries of other County major senior executive leaders were also evaluated.

¹¹ See Appendix D-1 Salary information for selected local regional jurisdictions was obtained from the Maryland Association of Counties - MACO Annual Salary Survey. This data does not take into account salary increases for County Council Members and the County Executive at the end of the 2014 fiscal year.

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 Session three months per year, are currently paid \$43,500, and the Speaker of the House and the President of the Senate are paid \$56,500. Executive level State position salaries range from \$76,101 to \$169,404. The Lieutenant Governor, Comptroller of the Treasury, Treasurer, and Attorney General are paid \$125,000 and the Governor is paid \$150,000.¹²

Salaries have been recommended to increase in the upcoming term from Fiscal Years 2015 to 2018 as follows. The Governor's salary would increase 10% for the first year starting at \$165,000 in 2015 and then increase an additional \$5,000 per year to total \$180,000 in Fiscal Year 2018. Salaries of the Lieutenant Governor, Comptroller of the Treasury, Treasurer, and Attorney General would increase 10% for the first year starting at \$137,500 and then increase by \$4,000 a year totaling \$149,500 in Fiscal Year 2018.

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 \$123,758 to \$155,500. Persons in the Senior Executive Service are paid between \$119,554 and \$179,700. Persons in the Executive Schedule are paid from \$145,700 to \$199,700. The Vice President is paid \$230,700. The President is paid \$400,000.¹³

National Data

The Compensation Review Board considered the salaries of comparable elected officials at the County level throughout the Nation. The National Association of Counties (NACO) data identified officials by county and classified by salary and wage database.

Demographic Data

Population

Prince George's County's population, estimated by the U.S. Census Bureau in 2012, was 881,138.¹⁴ During the last census period, 2000 through 2010, the population in Prince George's County grew by 2.1 percent and became more diverse. African Americans totaled 65.3 percent, Asian 4.4 percent, and Hispanic or Latino 15.7 percent. The number of persons who have a high

¹² See Appendix E-1 Salaries. Maryland State Government.

¹³ See Appendix E-2 Salaries in the Federal Government.

¹⁴ See Appendix K-1 Prince George's County Quick Facts from the US Census Bureau, <http://quickfacts.census.gov/qfd/states/24/24033.html> and Appendix K-2 USA Quick Facts from the US Census Bureau <http://quickfacts.census.gov/qfd/states/00000.html>.

school diploma or higher totaled 85.5 percent compared to the persons who live in Maryland, which totaled 88.2 percent and 85.4 percent in the United States from 2007 through 2011.¹⁵ It is important to note that the diversity of the population, disparity in income, and level of poverty make governing complex and challenging.

Median Household Income

Prince George's County's median household income is \$73,447, which is slightly above the Maryland median household income of \$72,419. The United States median household income is \$52,762, for the period of 2007 through 2011.¹⁶

Poverty

From 2007 to 2011, persons in Prince George's County below the poverty level totaled 8.2 percent, while the persons in Maryland below the poverty level totaled 9.0 percent. In the United States, the poverty level totaled 14.3 percent for 2007 through 2011. Comparative poverty trends place each of the jurisdictions in the following order, from lowest poverty rate to highest: Montgomery County, Prince George's County, the State of Maryland, and the United States. The self-sufficiency standard for Prince George's County as of 2012 is \$71,263 for two adults, an infant, and a preschooler.¹⁷

Benefits

The Office of Human Resources Management briefed the Compensation Review Board on the benefits for elected officials.¹⁸ CB-78-2001 was identified as containing the specific benefits offered to executive staff including elected officials.¹⁹ 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.²⁰ 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.

¹⁵ See Appendix K-1 and Appendix K-2.

¹⁶ See Appendix K-1 and Appendix K-2.

¹⁷ See Appendix L-1 Self-Sufficiency Standard for Prince George's County.

¹⁸ Letter to Judge Missouri and Ms. Exum dated October 30, 2013 outlining the benefit package. Appendix M-1. See also Appendix J-1 and Appendix J-2.

¹⁹ See CR-78-2001 Appendix M-2.

²⁰ See Appendix J-5 Executive Pension Benefits at a Glance 2014. See letter to Judge Missouri and Ms. Exum dated January 15, 2014 Appendix M-3.

Pension discussions focused on attracting good candidates as elected officials by increasing the percentage of the County contribution rate for the ICMA 401 Defined Contribution Plan. This was seen as an incentive for recruiting elected officials. Information was given to the Compensation Review Board regarding an increase in the County's contribution rate by five percent (5%) or by ten percent (10%).

The Compensation Review Board recommended that the County contribution to the County's ICMA 401 Defined Contribution Plan increase from five to ten percent, while employees will continue to contribute five percent of base salary. Beginning in December 2014, newly elected officials choosing this irrevocable option would not be eligible to participate under either the Maryland State Pension System Defined Benefit Plan or the General Schedule Supplemental Pension Plan. This option is in response to and assists in reducing the adverse impact of the ten year vesting requirement. This is intended to address changes that have occurred within the last four years that require elected officials to serve in government ten years to vest in retirement, which some may not be able to achieve. However, this retirement plan option will be less costly to government.

The members of the Compensation Review Board voted unanimously (Favorable 8-0) on the above-referenced recommendations.

DR-1

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND

2013 Legislative Session

Resolution No. CR-64-2013
Proposed by Council Member Harrison
Introduced by Council Member Harrison
Co-Sponsors _____
Date of Introduction July 2, 2013

RESOLUTION

1 A RESOLUTION concerning
2 Charter Review Commission and Compensation Review Board
3 For the purpose of establishing a Charter Review Commission to undertake a comprehensive
4 study of the Charter and recommending appropriate changes, providing that the same body shall
5 serve as the Compensation Review Board to study the rate of current compensation for the
6 County Council and the County Executive and make recommendations regarding the amount of
7 compensation, providing for the selection of the members thereof, and generally relating to the
8 Charter Review Commission and the Compensation Review Board.

9 WHEREAS, Section 1106 of the Charter of Prince George's County, Maryland provides
10 that the County Council and the County Executive shall appoint, by resolution, a Charter Review
11 Commission; and

WHEREAS, Sections 308 and 406 of the Charter provide that the County Council and the County Executive shall appoint a Compensation Review Board;

14 NOW, THEREFORE, BE IT RESOLVED by the County Council of Prince George's
15 County, Maryland, that a 2013-2014 Charter Review Commission is hereby created.

16 BE IT FURTHER RESOLVED that the 2013-2014 Charter Review Commission shall
17 consist of eight (8) citizens, three (3) appointed by the County Executive and three (3) appointed
18 by the County Council, and two (2) co-chairs who shall be jointly agreed upon by the County
19 Executive and the Chairperson of the County Council.

20 BE IT FURTHER RESOLVED that the 2013-2014 Charter Review Commission shall
21 consist of the following eight citizens: J. Kenneth Battle, Jr., Jacqueline L. Brown, and Rosalyn
22 E. Pugh appointed by the County Council; Terri Bacote-Charles, Bradley W. Frome, Joseph R.

1 Hamlin, appointed by the County Executive; and co-chair The Honorable William D. Missouri,
2 and co-chair Mary Godfrey, jointly agreed upon by the County Executive and the Chairperson of
3 the County Council.

4 BE IT FURTHER RESOLVED that the 2013-2014 Charter Review Commission shall
5 undertake a comprehensive study of the provisions of the Charter of Prince George's County,
6 seeking extensive public comment, and shall make recommendations to the County Executive
7 and County Council as to proposed amendments to the Charter by April 1, 2014.

8 BE IT FURTHER RESOLVED that a 2013-2014 Compensation Review Board is hereby
9 created.

10 BE IT FURTHER RESOLVED that the members of the 2013-2014 Charter Review
11 Commission shall serve concurrently as the members of the 2013-2014 Compensation Review
12 Board.

13 BE IT FURTHER RESOLVED that the 2013-2014 Compensation Review Board shall
14 study the current compensation for the County Council and the County Executive and shall make
15 recommendations regarding such compensation not later than February 15, 2014.

16 BE IT FURTHER RESOLVED that the County Council shall provide appropriate staff and
17 clerical support for the 2013-2014 Charter Review Commission and Compensation Review
18 Board.

Adopted this 2nd day of July, 2013.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY:

Andrea C. Harrison
Andrea C. Harrison
Chair

ATTEST:

Redis C. Floyd

Redis C. Floyd
Clerk of the Council

DATE: 7-23-2013

APPROVED:

BY:

Rushern L. Baker, III
Rushern L. Baker, III
County Executive

Prince George's County Council Agenda Item Summary

Meeting Date: 7/2/2013
Reference No.: CR-064-2013
Draft No.: 1
Proposer(s): Harrison
Sponsor(s): Harrison
Item Title: A Resolution concerning a Charter Review Commission and Compensation Review Board for the purpose of establishing a Charter Review Commission to undertake a comprehensive study of the Charter and recommending appropriate changes, providing that the same body shall serve as the Compensation Review Board to study the rate of current compensation for the County Council and the County Executive and make recommendations regarding the amount of compensation, providing for the selection of the members thereof, and generally relating to the Charter Review Commission and the Compensation Review Board.

Drafter: Kathleen H. Canning, Legislative Officer
Resource Personnel: Legislative Officers

LEGISLATIVE HISTORY:

| | | | |
|----------------------------|--|--------------------------|-------------|
| Date Presented: | | Executive Action: | 7/23/2013 S |
| Committee Referral: | | Effective Date: | |
| Committee Action: | | | |
| Date Introduced: | 7/2/2013 | | |
| Public Hearing: | | | |
| Council Action (1) | 7/2/2013 - ADOPTED | | |
| Council Votes: | WC:-, DLD:A, MRF:A, AH:A, ML:A, EO:A, OP:A, IT:A, KT:- | | |
| Pass/Fail: | P | | |
| Remarks: | | | |

AFFECTED CODE SECTIONS:

COMMITTEE REPORTS:

BACKGROUND INFORMATION/FISCAL IMPACT:

(Includes reason for proposal, as well as any unique statutory requirements)

Charter Section 1106 provides for the quadrennial review of the Charter by a Charter Review Commission. The County Executive and the County Council are required to appoint the Charter Review Commission by resolution. Charter Sections 308 and 406 provide for the appointment of a board to review the compensation for the County Executive and members of the Council. The proposed resolution provides for the appointment of a single commission to serve as both the Charter Review Commission and the Compensation Review Board.

CODE INDEX TOPICS:

INCLUSION FILES:

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND
2013 Legislative Session

Resolution No. CR-103-2013
Proposed by Council Member Harrison
Introduced by Council Members Harrison, Davis, Franklin, Patterson and Turner
Co-Sponsors _____
Date of Introduction September 17, 2013

RESOLUTION

A RESOLUTION concerning

Charter Review Commission and Compensation Review Board

For the purpose of revising a certain appointment to the Charter Review Commission and Compensation Review Board.

WHEREAS, Section 1106 of the Charter of Prince George's County, Maryland, provides that the County Council and the County Executive shall appoint, by resolution, a Charter Review Commission; and

WHEREAS, Sections 308 and 406 of the Charter provide that the County Council and the County Executive shall appoint a Compensation Review Board; and

WHEREAS, the County Council adopted CR-64-2013 on July 2, 2013, setting forth the membership for concurrent service on the Charter Review Commission and Compensation Review Board; and

WHEREAS, subsequent to the adoption of CR-64-2013, the County Council and County Executive were advised that a Co-Chairperson is unable to serve; and

WHEREAS, there is a need to appoint a Co-Chairperson of the Charter Review Commission and Compensation Review Board.

NOW, THEREFORE, BE IT RESOLVED by the County Council of Prince George's County, Maryland, that Camille A. Exum is hereby appointed as a Co-Chairperson of the Charter Review Commission and Compensation Review Board.

BE IT FURTHER RESOLVED that the revised complement of the Charter Review Commission and Compensation Review Board be as follows: J. Kenneth Battle, Jr., Jacqueline L. Brown, Rosalyn E. Pugh, Terri Bacote-Charles, Bradley W. Frome, Joseph R. Hamlin, Co-

1 Chairperson the Honorable William D. Missouri, and Co-Chairperson Camille A. Exum.

Adopted this 17th day of September, 2013.

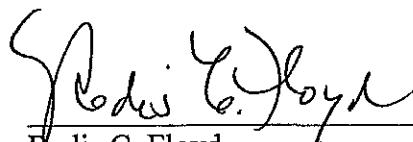
COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY:



Andrea C. Harrison
Chair

ATTEST:



Redis C. Floyd
Clerk of the Council

Prince George's County Council Agenda Item Summary

Meeting Date: 9/17/2013
Reference No.: CR-103-2013
Draft No.: 1
Proposer(s): Harrison
Sponsor(s): Harrison, Davis, Franklin, Patterson, Turner
Item Title: A Resolution concerning the Charter Review Commission and Compensation Review Board for the purpose of revising a certain appointment to the Charter Review Commission and Compensation Review Board

Drafter: Kathleen H. Canning, Legislative Officer
Resource Personnel: Karen T. Zavakos, Legislative Officer

LEGISLATIVE HISTORY:

| | | |
|----------------------------|--|--------------------------|
| Date Presented: | | Executive Action: |
| Committee Referral: | | Effective Date: |
| Committee Action: | | |
| Date Introduced: | 9/17/2013 | |
| Public Hearing: | | |
| Council Action (1) | 9/17/2013 - ADOPTED | |
| Council Votes: | WC:A, DLD:A, MRF:A, AH:A, ML:A, EO:A, OP:A, IT:A, KT:A | |
| Pass/Fail: | P | |
| Remarks: | | |

AFFECTED CODE SECTIONS:

COMMITTEE REPORTS:

BACKGROUND INFORMATION/FISCAL IMPACT:

(Includes reason for proposal, as well as any unique statutory requirements)

The Council adopted CR-64-2013 on July 2, 2013, setting forth the membership for concurrent service on the Charter Review Commission and Compensation Review Board. Subsequent to the adoption of CR-64-2013, the Council was advised that one Co-Chairperson is unable to serve. This resolution appoints a replacement Co-Chairperson to the Charter Review Commission and Compensation Review Board.

CODE INDEX TOPICS:

INCLUSION FILES:

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.

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)

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 |
| 12/6/1976 | 1976 | \$19,965.45 | 4.1% | 8/31; Chair \$2,500 & Vice Chair \$1,000 |
| 12/5/2013 | 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% | (CUURA3115A0) adjusted Annually by 100% of |
| 12/3/2012 | 2012 | \$102,486.00 | 2.8% | One year Percentage change as of 9/30; |
| 12/2/2013 | 2013 | \$103,716.00 | 1.2% | should decrease occur, current salary remains |

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

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 |

| 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 |

| 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 |

| 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 |

Salaries of County Executives in Selected Jurisdictions for Fiscal Years 2007-2014

| Fiscal Year | Prince George's County | Anne Arundel County | Howard County | Montgomery County | District of Columbia | Fairfax Virginia |
|-------------|------------------------|---------------------|---------------|-------------------|----------------------|----------------------|
| 2007 | 140,264 | 102,000 | 136,000 | 158,285 | | |
| 2008 | 165,644 | 125,000 | 151,263 | 167,000 | | |
| 2009 | -- | -- | -- | -- | | |
| 2010 | 174,540 | 125,000 | 158,675 | 167,000 | | |
| 2011 | 174,540 | 130,000 | 160,198 | 175,000 | | |
| 2012 | 174,540 | 130,000 | 160,198 | 175,000 | | |
| 2013 | 180,474 | 130,000 | 163,482 | 175,000 | | |
| 2014 | 180,474 | 130,000 | 163,482 | 180,250 | 200,000 | 277,946 ¹ |

Source: MACO, *Maryland Association of Counties, Salary Survey of Maryland County Government by Fiscal Year*
 Includes \$8,100 for car allowance

Salaries of County Council Members in Selected Jurisdictions for Fiscal Years 2007-2014

| Fiscal Year | Prince George's County | Anne Arundel County | Howard County | Montgomery County | District of Columbia | Fairfax Virginia |
|-------------|------------------------|---------------------|---------------|-------------------|----------------------|------------------|
| 2007 | 73,859 | 36,000 | 33,800 | 79,721 | | |
| 2008 | 92,026 | 36,000 | 50,421 | -- | | |
| 2009 | -- | -- | -- | -- | | |
| 2010 | 97,087 | 36,000 | 52,892 | 94,040 | | |
| 2011 | 96,417 | 36,000 | 53,400 | -- | | |
| 2012 | 96,417 | 36,000 | 53,400 | 94,351 | | |
| 2013 | 99,695 | 36,000 | 54,600 | 99,069 | 128,000 | |
| 2014 | 102,486 | 36,000 | 54,600 | 104,022 | 130,510 | 75,000 |

Source: MACO, *Maryland Association of Counties, Salary Survey of Maryland County Government by Fiscal Year*

Updated 11-8-13

Maryland State Government Structure

| | |
|--|-----------------------|
| Member Maryland House of Delegates | \$43,500 |
| Member Senate of Maryland | \$43,500 |
| Speaker of the House of Delegates | \$56,500 |
| President of the Senate | \$56,500 |
| Executive Service – Executive Pay Plan | (See below. ES4-ES11) |

| Scale | Minimum | Midpoint | Maximum |
|-------|-----------|----------|---------|
| ES4 | \$76,101 | \$88,784 | 101,468 |
| ES5 | \$81,764 | \$95,423 | 109,079 |
| ES6 | \$87,885 | 102,593 | 117,300 |
| ES7 | \$94,493 | 110,339 | 126,183 |
| ES8 | \$101,630 | 118,703 | 135,775 |
| ES9 | \$109,340 | 127,738 | 146,136 |
| ES10 | \$117,664 | 137,493 | 157,320 |
| ES11 | \$126,659 | 148,031 | 169,404 |

Cabinet Secretary ES9, ES 10, ES11

Deputy Secretary 1 to 3 ES Grades Lower Than Cabinet Secretary

Attorney General \$125,000

Treasurer \$125,000

Comptroller of the Treasury \$125,000

Lieutenant Governor \$125,000

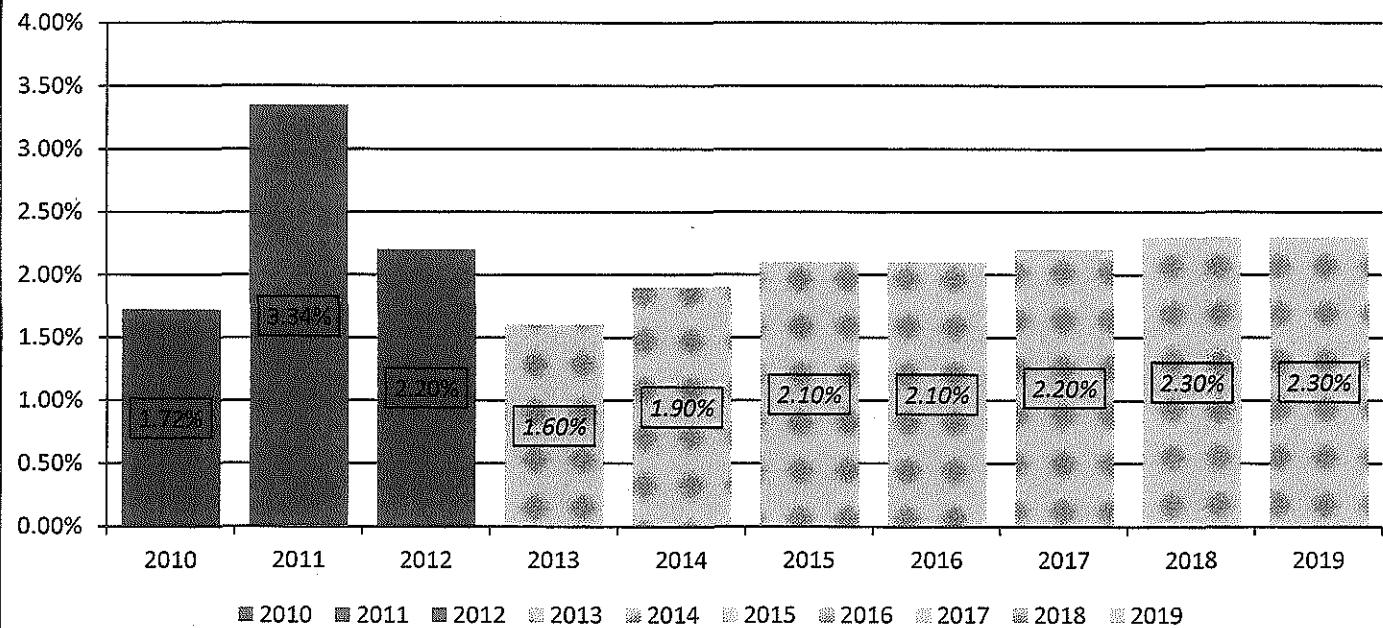
Governor \$150,000

Federal Government Sector

| | | |
|--|---|-----------------------|
| Congressional Pay | - | \$174,000 |
| Speaker of the House | - | \$223,500 |
| Majority/Minority Leaders (House and Senate) | - | \$193,400 |
| GS-15 (WashDCMetro) | - | \$123,758 - \$155,500 |
| Senior Executive Service (SES) | - | \$119,554 - \$179,700 |
| Executive Schedule | - | \$145,700 - \$199,700 |
| Vice President | - | \$230,700 |
| President | - | \$400,000 |

Change in Consumer Price Index Washington-Baltimore Area

Source: U.S. Bureau of Labor Statistics and Congressional Budget Office



Consumer Price Index for All Urban Consumers -- Washington-Baltimore, DC-MD-VA-WV Metropolitan Area

| Year | Jan. | Mar. | May | July | Sep. | Nov. | BLS Metropolitan Annual Avg | BLS Metropolitan % Change Avg-Avg | BLS National Annual Avg | BLS National % Change Avg-Avg | Variance from Metropolitan % Change Avg-Avg |
|------|---------|---------|---------|---------|---------|---------|-----------------------------------|--|----------------------------------|--|--|
| 2006 | 126.3 | 126.8 | 128.8 | 130.7 | 130.2 | 129.3 | 128.8 | | 201.6 | | |
| 2007 | 129.956 | 131.945 | 132.982 | 134.442 | 134.678 | 135.151 | 133.464 | 3.62% | 207.342 | 2.85% | 0.77 |
| 2008 | 136.293 | 138.090 | 139.649 | 142.065 | 142.036 | 138.547 | 139.499 | 4.52% | 215.303 | 3.84% | 0.68 |
| 2009 | 137.598 | 138.620 | 139.311 | 140.810 | 140.945 | 140.718 | 139.814 | 0.23% | 214.537 | -0.36% | 0.59 |
| 2010 | 141.124 | 141.741 | 142.025 | 141.966 | 142.738 | 142.915 | 142.218 | 1.72% | 218.056 | 1.64% | 0.08 |
| 2011 | 144.327 | 146.044 | 147.554 | 147.747 | 147.658 | 147.565 | 146.975 | 3.34% | 224.939 | 3.16% | 0.18 |
| 2012 | 148.163 | 150.074 | 150.155 | 149.838 | 151.732 | 150.646 | 150.212 | 2.20% | 229.594 | 2.07% | 0.13 |
| 2013 | 150.845 | 152.188 | 151.908 | 152.657 | 153.532 | | | | | 1.60% | |
| 2014 | | | | | | | | | | 1.90% | |
| 2015 | | | | | | | | | | 2.10% | |
| 2016 | | | | | | | | | | 2.10% | |
| 2017 | | | | | | | | | | 2.20% | |
| 2018 | | | | | | | | | | 2.30% | |
| 2019 | | | | | | | | | | 2.30% | |

Notes:

1. The U.S. Department of Labor's Bureau of Labor Statistics (BLS) publishes the Consumer Price Index for All Urban Consumers -- Washington-Baltimore, DC-MD-VA-WV metropolitan area every other month. The 2010-2013 historical data is not seasonally adjusted. The base period for the metropolitan area is November 1996=100 and includes all items.
2. The 2013-2019 national percent change data (in italics) represent forecasted data. The data is based on national Consumer Price Index projections from the Congressional Budget Office. The data is not seasonally adjusted. The base period for the national data is 1982-84=100 and includes all items.

Sources:

1. 2010-2013 historical data, Bureau of Labor Statistics, U.S. Department of Labor.
2. 2013 - 2019 forecasted data, Congressional Budget Office, *The Budget and Economic Outlook: Fiscal Years 2013 to 2023*, February 2013, Table B-1, p. 64.

PRINCE GEORGE'S COUNTY GOVERNMENT
(Compensation for many groups subject to collective bargaining)

| | FY06 | FY07 | FY08 | FY09 | FY10 | FY11 | FY12 | FY13 | FY14 | FY15 |
|---------------------------|-------------|-------------|---------|---------|------|------|------|-------------|-------------|---------|
| Police (sworn) | | | | | | | | | | |
| Increment | 3.5%(a) | 3.5%(a) | 3.5%(a) | 3.5%(a) | | | | (f) | 3.5% (a) | 3.5(a) |
| General adjustment (COLA) | 3.0% | 3.0% | 2.5% | 3.0% | | | | - | - | - |
| Lump-sum payment | - | - | - | - | | | | \$1700(g) | - | - |
| Top of range adjustment | 2.5-3.5% | 2.5-3.5% | - | - | | | | 2.5% | - | - |
| Fire (sworn) | | | | | | | | | | |
| Increment | 3.5%(a) | 3.5%(a) | 3.5%(a) | 3.5%(a) | | | | 3.5% (h) | 3.5 (h) | |
| General adjustment (COLA) | 3.0% | 3.0% | 2.5% | 2.5% | | | | - | - | - |
| Lump-sum payment | - | - | 2.5% | | | | | \$1,000 (e) | \$1,250 (e) | - |
| Top of range adjustment | 2.5% | 2.5% | | | | | | - | - | 3.5% |
| General Schedule | | | | | | | | | | |
| Increment | 3.5%(a) | 3.5%(a) | 3.5%(a) | 3.5%(a) | | | | - | - | |
| General adjustment (COLA) | 2.5% | 2.5% | 2.5% | 2.5% | | | | - | - | 5.0%(i) |
| Lump-sum payment | - | - | - | | | | | \$1,000 (e) | \$1,250(e) | - |
| Top of range adjustment | - | - | (c) | | | | | - | - | TBD |
| Other Labor Groups | | | | | | | | | | |
| Increment | 3.5%(a) | 3.5%(a) | 3.5%(a) | 3.5%(a) | | | | - | - | |
| General adjustment (COLA) | 2.5-3% | 2.5-3% | 2.5% | 2.5% | | | | - | - | |
| Lump-sum payment | \$0-\$1,200 | \$0-\$1,250 | - | - | | | | \$1,000 (e) | \$1,250(e) | (j) |
| Top of range adjustment | 2.5-3.5% | 2.5-3.5% | (c) | (c) | | | | - | - | (k) |

- (a) As a general rule, merit increases are valued at 3.5%, up to maximum of pay scale. In some pay scales, longevity steps may be valued at 2.5% or 3.0%. For fire sworn unit members, special provisions may apply. For example, employees may receive compensation that incorporates certification pay that is included in their base pay and coincides with a certification maximum pay.
- (b) This line generally denotes across the board bonuses for employees. However, some employees received allowances or certifications per contract or salary plan, i.e. clothing allowance, which is not denoted on this chart.
- (c) In FY2008, General Schedule employees' minimum rate was increased by 6% and maximum pay rates were increased by 17%. In FY2009, the maximum rate for DSA Civilian and IAFF Civilian was increased by 3.5%. In FY2008 and FY2009, the max step for PGCOA Civilian was increased by 3.5% each year; this was in addition to increases in max step that occurred because of COLAs.
- (d) Employees did not receive COLAs or merits in FY2010 or FY2011. Employees were furloughed eighty (80) hours in FY2009 and FY2010.
- (e) *See also footnote (b).* FOP did not receive any lump say payments or other increase in wages because they proceeded to arbitration.
- (f) FOP won arbitration and received up to a maximum of four (4) step increases. Value of steps varied based upon employees placement on wage scale. Generally, each step was valued between 3.5% and 2.5%.
- (g) Lump sum only given to employees who were at the maximum step for his/her pay grade since on or before June 30, 2009, and therefore received no merit increases during Fiscal Year 2010 through Fiscal Year 2013 OR Employees who received only the Step P (18 year) merit increase during Fiscal Year 2010 through Fiscal Year 2013.
- (h) Three merits step increases at 3.5%.
- (i) Provided in increments of 2.5%. Certain exempt employees will not receive COLAs; instead they will receive merit increases. Public safety officials received the following:

- PGCOA Officials: 3% COLA and 2.5% COLA; 1 Merit @ 3.5%. Maximum rates increased by 3.5%.
- DSA Officials: Three merit steps increases at 3.5%. Received a 3.5% increase to steps on wage scale.
- IAFF Officials: Three merit steps increases at 3.5%. Max pay rates increased by 7.5%.
- Police Officials: For employees on pay scale prior to September 2012, maximum of three (3) steps increases. For employees who became part of pay scale after September 2012, will receive one step increase. Top of wage scale adjusted by 2.5%. Certain steps increased approximately 4.5%.

(j) AFSCME Master: 5% COLA in 2.5% increments.

AFSCME Crossing Guards: 5% COLA in 2.5% increments. Certain employees also received salary adjustments and the Adjusted Living Wage provision was deleted.

DSA Civilian and PGCOA Civilian: Merit increase at 3.5%; 2.5% COLA.

PCEA and IAFF Civilian: Merit increase at 3.5%; 2% COLA.

PGCOA Sworn: 3% COLA and 2.5% COLA; Merit @ 3.5%. Maximum rates increased by 3.5%.

DSA Sworn: Three merit steps increases at 3.5%. Sheriff Officials received a 3.5% increase to steps on wage scale.

(k) AFSCME Master: 2% COLA.

AFSCME Crossing Guards: 2% COLA

DSA Civilian and PGCOA Civilian: Merit increase at 3.5%; 2.5% COLA.

PCEA and IAFF Civilian: Two (2) merit increases at 3.5%.

PGCOA Sworn: 2% COLA and 3% COLA; Two (2) merit increases at 3.5%.

DSA Sworn: Three merit steps increases at 3.5%.

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 \$289,000 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

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 Operating Budget, FY 2006 - FY 2014

| County Appropriations | Actual FY 2006 | Actual FY 2007 | Actual FY 2008 | Actual FY 2009 | Actual FY 2010 | Actual FY 2011 | Actual FY 2012 | Estimated FY 2013 | Revised FY 2014 | Change between FY 2006 Actual and FY 2014 Revised, \$ | Change between FY 2006 Actual and FY 2014 Revised, % |
|-----------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|---|--|
| General Fund | \$ 2,206,690,398 | \$ 2,401,590,441 | \$ 2,626,407,629 | \$ 2,598,807,198 | \$ 2,597,192,973 | \$ 2,584,207,196 | \$ 2,626,854,484 | \$ 2,699,321,900 | \$ 2,712,344,300 | \$ 505,653,902 | 22.9% |
| *Other Funds | \$ 392,912,424 | \$ 430,758,811 | \$ 431,068,652 | \$ 459,872,685 | \$ 478,373,021 | \$ 512,776,197 | \$ 497,920,084 | \$ 528,584,800 | \$ 556,725,200 | \$ 163,812,776 | 41.7% |
| Total | \$ 2,599,602,822 | \$ 2,832,349,252 | \$ 3,057,476,281 | \$ 3,058,679,883 | \$ 3,075,565,994 | \$ 3,096,983,393 | \$ 3,124,774,568 | \$ 3,227,906,700 | \$ 3,269,069,500 | \$ 669,466,678 | 25.8% |

Data Source: Approved Operating Budget FY 2008 - FY 2014, Budget At A Glance: All Funds Summary (Expenditures) Tables or Appropriation Summary Tables

Notes:

*Other Funds include Internal Services Funds, Enterprise Funds, Special Revenue Funds, and Grant Program Funds.

Prince George's County Position Summary, FY 2006 - FY 2014

| County Appropriations | Approved FY 2006 | Approved FY 2007 | Approved FY 2008 | Approved FY 2009 | Approved FY 2010 | Approved FY 2011 | Approved FY 2012 | Approved FY 2013 | Approved FY 2014 | Change between FY 2006 and FY 2014 | Change between FY 2006 and FY 2014, % |
|-----------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------------------------|---------------------------------------|
| Full-Time | 6249 | 6606 | 6889 | 7107 | 7052 | 6981 | 6897 | 6962 | 7003 | 754 | 12.1% |
| Part-Time | 384 | 379 | 393 | 342 | 346 | 346 | 321 | 328 | 331 | -53 | -13.8% |
| Total | 6,633 | 6,985 | 7,282 | 7,449 | 7,398 | 7,327 | 7,218 | 7,290 | 7,334 | 701 | 10.6% |

Data Source: Approved Operating Budget FY 2008 - FY 2014, Position Summary Tables (for Full-Time)

Notes:

Position numbers shown do not include Board of Education, Community College and Library.

Position numbers represent all funds.

Maryland-National Capital Park and Planning Commission - Prince George's County Operating Budget, FY 2006 - FY 2014

| | Actual FY 2006 | Actual FY 2007 | Actual FY 2008 | Actual FY 2009 | Actual FY 2010 | Actual FY 2011 | Actual FY 2012 | Estimated FY 2013 | Revised FY 2014 | Change between FY 2006 Actual and FY 2014 Revised, \$ | Change between FY 2006 Actual and FY 2014 Revised, % |
|----------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|---|--|
| <i>Tax Supported Funds</i> | | | | | | | | | | | |
| Administration Fund | \$ 28,296,563 | \$ 30,550,585 | \$ 36,013,065 | \$ 48,395,070 | \$ 42,956,456 | \$ 41,836,466 | \$ 42,201,370 | \$ 49,249,800 | \$ 50,279,392 | \$ 21,982,829 | 77.7% |
| Park Fund | \$ 88,743,066 | \$ 111,748,441 | \$ 125,818,980 | \$ 164,084,663 | \$ 170,473,900 | \$ 153,508,201 | \$ 118,598,989 | \$ 130,101,900 | \$ 155,272,716 | \$ 66,529,650 | 75.0% |
| Recreation Fund | \$ 37,098,589 | \$ 41,251,224 | \$ 45,959,710 | \$ 66,856,025 | \$ 66,497,008 | \$ 68,681,819 | \$ 67,122,354 | \$ 71,498,600 | \$ 74,881,022 | \$ 37,782,433 | 101.8% |
| *Other Funds | \$ 21,856,887 | \$ 23,427,196 | \$ 27,325,918 | \$ 28,286,874 | \$ 25,695,912 | \$ 24,722,661 | \$ 28,109,294 | \$ 27,333,800 | \$ 27,338,660 | \$ 5,481,773 | 25.1% |
| Total | \$ 175,995,105 | \$ 206,977,446 | \$ 235,117,673 | \$ 307,622,632 | \$ 305,623,276 | \$ 288,749,147 | \$ 256,032,007 | \$ 278,184,100 | \$ 307,771,790 | \$ 131,776,685 | 74.9% |

Data Source: Approved Operating Budget FY 2007 - FY 2014

Notes:

**Other Funds include the Enterprise and Special Revenue Funds*

Maryland-National Capital Park and Planning Commission - Prince George's County Position Summary, FY 2006 - FY 2014

| | Approved FY 2006 | Approved FY 2007 | Approved FY 2008 | Approved FY 2009 | Approved FY 2010 | Approved FY 2011 | Approved FY 2012 | Approved FY 2013 | Approved FY 2014 | Change between FY 2006 and FY 2014 | Change between FY 2006 and FY 2014, % |
|--------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---|--|
| Full-Time | 1,188 | 1,221 | 1,266 | 1,339 | 1,351 | 1,369 | 1,328 | 1,308 | 1,321 | 134 | 11.3% |
| Part-Time | 54 | 53 | 52 | 51 | 52 | 52 | 44 | 39 | 38 | -16 | -30.4% |
| Total | 1,242 | 1,274 | 1,318 | 1,390 | 1,403 | 1,421 | 1,372 | 1,347 | 1,359 | 117 | 9.5% |

Data Source: Approved Operating Budget FY 2007 - FY 2014, 'Positions/Work Years By Fund' Table

Notes:

Position numbers represent all funds.

Washington Suburban Sanitary Commission Capital and Operating Budgets, FY 2006 - FY 2014

| Appropriations | Actual FY 2006 | Actual FY 2007 | Actual FY 2008 | Actual FY 2009 | Actual FY 2010 | Actual FY 2011 | Actual FY 2012 | Approved FY 2013 | Approved FY 2014 | Change between FY 2006 Actual and FY 2014 Approved \$ | Change between FY 2006 Actual and FY 2014 Approved % |
|-----------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-------------------------|-------------------------|-------------------------|---|--|
| Capital Funds | \$ 149,446,000 | \$ 159,934,000 | \$ 183,281,000 | \$ 213,448,000 | \$ 240,482,000 | \$ 240,250,000 | \$ 435,497,000 | \$ 788,005,000 | \$ 742,187,000 | \$ 592,741,000 | 396.6% |
| Operating Funds | \$ 488,318,000 | \$ 484,995,000 | \$ 508,122,000 | \$ 531,191,000 | \$ 537,954,000 | \$ 573,104,000 | \$ 566,984,000 | \$ 661,733,000 | \$ 698,773,000 | \$ 210,455,000 | 43.1% |
| Total | \$ 637,764,000 | \$ 644,929,000 | \$ 691,403,000 | \$ 744,639,000 | \$ 778,436,000 | \$ 813,354,000 | \$ 1,002,481,000 | \$ 1,449,738,000 | \$ 1,440,960,000 | \$ 803,196,000 | 125.9% |

Data Source: Approved Budgets FY 2006 - FY 2014

Position Summary, FY 2006 - FY 2014

| Positions/Work years | Actual FY 2006 | Actual FY 2007 | Actual FY 2008 | Actual FY 2009 | Actual FY 2010 | Actual FY 2011 | Actual FY 2012 | Approved FY 2013 | Approved FY 2014 | Change between FY 2006 and FY 2014 | Change between FY 2006 and FY 2014, % |
|----------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|------------------|------------------------------------|---------------------------------------|
| Auth. Positions | 1,503 | 1,490 | 1,525 | 1,555 | 1,561 | 1,632 | 1,681 | 1,693 | 1,717 | 214 | 14.2% |
| Workyears | 1373.0 | 1410.0 | 1407.4 | 1428.1 | 1448.5 | 1485.5 | 1522.2 | 1693.0 | 1717.0 | 344.0 | 25.1% |

Data Source: Approved Budgets FY 2006 - FY 2014

Notes:

Position numbers shown do not include Commissioners (6) in total positions.

FY'10 Reflects the transfer of the Project Management function (2 workyears) from the Information Technology Team to the Strategic Systems Management Office.

Compensation/Benefits Summary - Other Major Senior Executive Leaders

| | <u>CEO</u> <u>Prince George's County</u> <u>Public Schools</u> | <u>General Manager</u> <u>WSSC</u> | <u>Chairperson</u> <u>Prince George's County</u> <u>Planning Board</u> |
|---------------------------|--|---------------------------------------|--|
| Annual Salary - FY 2014 | \$ 290,000 | \$ 262,650 | \$ 201,125 <u>1/</u> |
| Deferred Compensation | \$ 43,000 | \$ 23,000 | None |
| Annual Salary Adjustments | COLA - as Employees | COLA - as Employees | COLA - as Employees |
| Annual Bonus Eligibility | Yes - up to 10% | Yes - up to 10% | No |
| Pension | Yes - as PGCPS Employees | Yes - as WSSC Employees | Yes - as MNCPPC Employees |
| Health Benefits | Yes - as PGCPS Employees | Yes - as WSSC Employees | Yes - as MNCPPC Employees |
| Automobile | Yes | Yes - \$8,000 Allowance | Yes - but Does Not Use |

1/ Salary as of 3-9-14



PRINCE GEORGE'S COUNTY GOVERNMENT

EXECUTIVE BENEFITS AT A GLANCE 2014

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 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 ELI benefit is one and a half times the annual salary.
- The ELI plan is provided to you at no cost.
- 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.
- 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.

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 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.
- 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 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.

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% |



PRINCE GEORGE'S COUNTY GOVERNMENT

EXECUTIVE BENEFIT PLANS

| | | |
|-------------------------------------|----------------------|--|
| ➤ County Executive Rushern Baker | | |
| • Executive Life Insurance | \$225,000* | |
| (\$185,526.90 X 1.5 = \$278,290.35) | | |
| • Executive Long-Term Disability | 60% of Salary** | |
| ➤ Council Member Jamel Franklin | (Council Chair) | |
| • Executive Life Insurance | \$163,000 | |
| (\$108,716 X 1.5 = \$163,074) | | |
| • Executive Long-Term Disability | 60% of Salary** | |
| ➤ Council Member Will A. Campos | (Council Vice Chair) | |
| • Executive Life Insurance | \$159,000 | |
| (\$106,216 X 1.5 = \$159,324) | | |
| • Executive Long-Term Disability | 60% of Salary** | |
| ➤ Council Member Mary A. Lehman | | |
| • Executive Life Insurance | \$156,000 | |
| (\$103,716 X 1.5 = \$155,574) | | |
| • Executive Long-Term Disability | 60% of Salary** | |
| ➤ Council Member Karen R. Toles | | |
| • Executive Life Insurance | \$156,000 | |
| (\$103,716 X 1.5 = \$155,574) | | |
| • Executive Long-Term Disability | 60% of Salary** | |
| ➤ Council Member Ingrid M. Turner | | |
| • Executive Life Insurance | \$156,000 | |
| (\$103,716 X 1.5 = \$155,574) | | |
| • Executive Long-Term Disability | 60% of Salary** | |

| | | |
|-------------------------------------|-----------------|--|
| ➤ Council Member Andrea C. Harrison | | |
| • Executive Life Insurance | \$161,000 | |
| (\$107,486 X 1.5 = \$161,229) | | |
| • Executive Long-Term Disability | 60% of Salary** | |
| ➤ Council Member Derrick L. Davis | | |
| • Executive Life Insurance | \$154,000 | |
| (\$102,486 X 1.5 = \$153,729) | | |
| • Executive Long-Term Disability | 60% of Salary** | |
| ➤ Council Member Obie Patterson | | |
| • Executive Life Insurance | \$157,000 | |
| (\$104,986 X 1.5 = \$157,479) | | |
| • Executive Long-Term Disability | 60% of Salary** | |
| ➤ Council Member Jamel Franklin | | |
| • Executive Life Insurance | \$154,000 | |
| (\$102,486 X 1.5 = \$153,729) | | |
| • Executive Long-Term Disability | 60% of Salary** | |
| ➤ Council Member Eric C. Olson | | |
| • Executive Life Insurance | \$154,000 | |
| (\$102,486 X 1.5 = \$153,729) | | |
| • Executive Long-Term Disability | 60% of Salary** | |

*The maximum benefit for Executive Life Insurance is \$225,000.

**The Executive Long-Term Disability plan is designed to replace 60% of the base pay up to \$7,500.00 per month.

Note: The other health benefit plans offered to these positions are the same as the plans offered to other eligible full-time employees.

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

LOCAL GOVERNMENT

Benchmarks

Will engage Maryland Association of Counties (MACo) to conduct survey on automobile options for other governments. Preliminary results about elected officials were received from the counties listed below:

- **Howard County**

- Elected Council Members
 - Personal Vehicle – Business Mileage Reimbursement
- Elected County Executive
 - County Vehicle Assignment

- **Montgomery County**

- Elected Council Members
 - Personal Vehicle – Business Mileage Reimbursement
- Elected County Executive
 - County Vehicle Assignment

- **Fairfax County**

- Elected Supervisors and Appointed County Executive
 - Personal Vehicle – Business Mileage Reimbursement

SUMMARY

Taxable Auto Program

- 2011 Re-engineering of Program – much easier to administer
- Estimated annual value of taxable fringe benefits provided to Elected Officials related to vehicle use – roughly \$10,000 for tax year 2012 as illustrated in the table below
- Actual tax liability is dependent on assignee's:
 - Reported business use
 - Personal tax circumstance

| | |
|---|-----------------|
| Auto Allowance (CASH) | \$10,117 |
| Average Amortized Vehicle Payments | \$4,736 |
| Average Maintenance Cost | 2,700 |
| Average Fuel Cost | 1,921 |
| Average Insurance Cost | 760 |
| | <hr/> |
| | \$10,117 |
| <hr/> | |
| Average Value of County Vehicle Assignment (IMPUTED VALUE – NO CASH) | \$9,150 |
| Vehicle (IRS ALV table includes maintenance and insurance) | \$8,250 |
| Fuel | 900 |
| | <hr/> |
| | \$9,150 |

Prince George's County Executives' Salaries and Benefits from Tax Year 2006 to Tax YTD 2013

| Former County Executive Jack B. Johnson | | | | | | Rate History |
|---|------------|------------|------------|------------------|------------|--|
| | 2006 | 2007 | 2008 | 2009 | 2010 | |
| Regular Pay | 141,023.10 | 160,209.33 | 165,790.05 | 181,252.35 | 167,826.25 | 3.3% COLA 12/05/05 \$67.4346 - \$140,264.00 |
| Taxable Fuel (1) | - | - | - | - | - | 14.07% 12/04/06 |
| Taxable Car (1) | 2,467.38 | 1,319.25 | 2,340.00 | 2,092.16 | 723.82 | \$76.9231 - \$160,000.00 |
| Group Life (2) | 1,599.60 | 1,677.00 | 1,677.00 | 2,499.25 | 2,574.00 | 3.4% COLA 12/03/07 \$79.5385 - \$165,440.00 |
| Gross Wages | 145,090.08 | 163,205.58 | 169,807.05 | 185,843.76 | 171,124.07 | 5.5% COLA 12/01/08 \$83.9131 - \$174,539.30 |
| Number of biweekly pay cycles | 26 | 26 | 26 | 27 | 25 | 0.0% COLA 12/07/09 83.9131 - \$174,539.30 |
| Incumbent County Executive Rushern L. Baker | | | | | | |
| | 2010 | 2011 | 2012 | 2013 (Projected) | | EFFECTIVE 12/06/10 |
| Regular Pay | 6,713.05 | 174,767.54 | 180,667.90 | 185,698.15 | | \$83.9131 - \$174,539.30 |
| Taxable Fuel (1) | - | 1,065.30 | 2,284.37 | 2,028.07 | | 3.4% COLA 12/05/11 \$86.7661 - \$180,473.63 |
| Taxable Car (1) | - | 9,808.83 | 12,246.00 | 12,246.00 | | 2.8% COLA 12/02/12 \$89.1956 - \$185,526.90 |
| Group Life (2) | - | 884.94 | 897.00 | 1,612.00 | | 1.2% COLA 12/02/13 pending |
| Life Insurance Optout (3) | - | 346.08 | 374.92 | 374.92 | | \$90.2659 - \$187,753.22 |
| Gross Wages | 6,713.05 | 186,872.69 | 196,470.19 | 201,959.14 | | |
| Number of biweekly pay cycles | 1 | 26 | 26 | 26 | | |

Notes:

- (1) Reflects 2011 policy changes to 100% personal use reporting for Taxable Car Program. Value of fringe benefit is added to taxable wages. Previously, employees submitted logs with personal miles (taxable) and business miles (non-taxable) to the County. Taxable value reported to IRS.
- (2) Value of taxable fringe benefit is added to taxable compensation; there is no cash payment
- (3) Personal election to reduce life insurance benefit from 2x to 1x annual salary yields cash payment
- (4) After final 2013 pay cycle, value of this fringe benefit will be added to taxable wages for W-2 reporting to IRS

Prepared by: Office of Finance - November 27, 2013 (revised)



PRINCE GEORGE'S COUNTY GOVERNMENT

EXECUTIVE PENSION BENEFITS UP-TO-DATE 2014

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 \$113,700 in 2013, then a 5% contribution is required for excess earnings. For FY14 the County contributes 6.47% of base salary. | | Employees contribute 5% of base salary and the County contributes 5%. Participant selects investments in various funds. | For FY14, employees contribute 3.73% of base salary and the County contributes 8.30% of base salary. <i>Enrollment is optional for elected officials.</i> | |
| Vesting | Prior to 7/1/2011 | After 7/1/2011 | 100% after age 40. | Prior to 7/1/2012 | After 7/1/2012 |
| | 100% after 5 years of eligibility service or attainment of normal retirement date of age 62. | 100% after 10 years of eligibility service or attainment of normal retirement date of age 65. | | 100% after 5 years of eligibility service or attainment of normal retirement date of age 62. | 100% after 10 years of eligibility service or attainment of normal retirement date of age 65. |
| Normal Retirement Date | -Age 62 with 5 years of service -Age 63 with 4 years of service -Age 64 with 3 years of service -Age 65 or older with 2 years of service -Any age with 30 years of service. | Active members with at least 10 years of eligibility service become eligible for normal service retirement at age 65. OR At least 90 years of combined age and years of eligibility service. | Various withdrawal options: <ul style="list-style-type: none">• Periodic payment schedules• Transfer to traditional IRA• Immediate retirement annuity• Lump sum payment | Same as Maryland State. Rule of 90 <ul style="list-style-type: none">• Age 57 with 33 years of service• Age 60 with 30 years of service, or• Age 63 with 27 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 60 with at least 15 years of service. | |

Updated 10/30/13

State & County QuickFacts

Prince George's County, Maryland

| | | Prince George's County Maryland | |
|---|-----------|---------------------------------|----------|
| People QuickFacts | | County | Maryland |
| Population, 2012 estimate | 881,138 | 5,884,563 | |
| Population, 2010 (April 1) estimates base | 863,420 | 5,773,552 | |
| Population, percent change, April 1, 2010 to July 1, 2012 | 2.1% | 1.9% | |
| Population, 2010 | 863,420 | 5,773,552 | |
| Persons under 5 years, percent, 2012 | 6.7% | 6.2% | |
| Persons under 18 years, percent, 2012 | 23.1% | 22.8% | |
| Persons 65 years and over, percent, 2012 | 10.3% | 13.0% | |
| Female persons, percent, 2012 | 52.0% | 51.6% | |
| White alone, percent, 2012 (a) | 26.5% | 60.8% | |
| Black or African American alone, percent, 2012 (a) | 65.3% | 30.0% | |
| American Indian and Alaska Native alone, percent, 2012 (a) | 1.0% | 0.5% | |
| Asian alone, percent, 2012 (a) | 4.4% | 6.0% | |
| Native Hawaiian and Other Pacific Islander alone, percent, 2012 (a) | 0.2% | 0.1% | |
| Two or More Races, percent, 2012 | 2.6% | 2.5% | |
| Hispanic or Latino, percent, 2012 (b) | 15.7% | 8.7% | |
| White alone, not Hispanic or Latino, percent, 2012 | 14.8% | 53.9% | |
| Living in same house 1 year & over, percent, 2007-2011 | 84.6% | 86.4% | |
| Foreign born persons, percent, 2007-2011 | 19.8% | 13.5% | |
| Language other than English spoken at home, percent age 5+, 2007-2011 | 19.8% | 16.2% | |
| High school graduate or higher, percent of persons age 25+, 2007-2011 | 85.8% | 88.2% | |
| Bachelor's degree or higher, percent of persons age 25+, 2007-2011 | 29.7% | 36.1% | |
| Veterans, 2007-2011 | 62,276 | 443,652 | |
| Mean travel time to work (minutes), workers age 16+, 2007-2011 | 35.8 | 31.7 | |
| Housing units, 2011 | 329,794 | 2,391,350 | |
| Homeownership rate, 2007-2011 | 64.1% | 68.7% | |
| Housing units in multi-unit structures, percent, 2007-2011 | 32.4% | 25.4% | |
| Median value of owner-occupied housing units, 2007-2011 | \$312,800 | \$319,800 | |
| Households, 2007-2011 | 302,091 | 2,128,377 | |
| Persons per household, 2007-2011 | 2.78 | 2.63 | |
| Per capita money income in the past 12 months (2011 dollars), 2007-2011 | \$32,117 | \$35,751 | |
| Median household income, 2007-2011 | \$73,447 | \$72,419 | |
| Persons below poverty level, percent, 2007-2011 | 8.2% | 9.0% | |
| | | Prince George's County Maryland | |
| Business QuickFacts | | County | Maryland |
| Private nonfarm establishments, 2011 | 13,991 | 133,248 ¹ | |
| Private nonfarm employment, 2011 | 243,227 | 2,104,022 ¹ | |
| Private nonfarm employment, percent change, 2010-2011 | 2.2% | 1.4% ¹ | |
| Nonemployer establishments, 2011 | 63,169 | 432,590 | |
| Total number of firms, 2007 | 72,759 | 528,112 | |
| Black-owned firms, percent, 2007 | 54.5% | 19.3% | |
| American Indian- and Alaska Native-owned firms, percent, 2007 | 0.9% | 0.6% | |
| Asian-owned firms, percent, 2007 | 6.2% | 6.8% | |
| Native Hawaiian and Other Pacific Islander-owned firms, percent, 2007 | 0.1% | 0.1% | |

| | | |
|--|---|------------|
| Hispanic-owned firms, percent, 2007 | 8.8% | 4.9% |
| Women-owned firms, percent, 2007 | 37.8% | 32.6% |
| Manufacturers shipments, 2007 (\$1000) | 2,504,675 | 41,456,097 |
| Merchant wholesaler sales, 2007 (\$1000) | 10,449,816 | 51,276,797 |
| Retail sales, 2007 (\$1000) | 9,209,683 | 75,664,186 |
| Retail sales per capita, 2007 | \$11,060 | \$13,429 |
| Accommodation and food services sales, 2007 (\$1000) | 1,205,022 | 10,758,428 |
| Building permits, 2012 | 953 | 15,217 |
| Prince George's County Maryland | | |
| Geography QuickFacts | | |
| Land area in square miles, 2010 | 482.69 | 9,707.24 |
| Persons per square mile, 2010 | 1,788.8 | 594.8 |
| FIPS Code | 033 | 24 |
| Metropolitan or Micropolitan Statistical Area | Washington -Arlington- Alexandria, DC-VA-MD- WV Metro Area | |

1: Includes data not distributed by county.

(a) Includes persons reporting only one race.

(b) Hispanics may be of any race, so also are included in applicable race categories.

D: Suppressed to avoid disclosure of confidential information

F: Fewer than 25 firms

FN: Footnote on this item for this area in place of data

NA: Not available

S: Suppressed; does not meet publication standards

X: Not applicable

Z: Value greater than zero but less than half unit of measure shown

Source U.S. Census Bureau, State and County QuickFacts. Data derived from Population Estimates, American Community Survey, Census of Population and Housing, State and County Housing Unit Estimates, County Business Patterns, Nonemployer Statistics, Economic Census, Survey of Business Owners, Building Permits
Last Revised: Thursday, 27-Jun-2013 14:25:47 EDT

State & County QuickFacts

USA

| People QuickFacts | USA |
|---|---------------|
| Population, 2012 estimate | 313,914,040 |
| Population, 2010 (April 1) estimates base | 308,747,508 |
| Population, percent change, April 1, 2010 to July 1, 2012 | 1.7% |
| Population, 2010 | 308,745,538 |
| Persons under 5 years, percent, 2012 | 6.4% |
| Persons under 18 years, percent, 2012 | 23.5% |
| Persons 65 years and over, percent, 2012 | 13.7% |
| Female persons, percent, 2012 | 50.8% |
| White alone, percent, 2012 (a) | 77.9% |
| Black or African American alone, percent, 2012 (a) | 13.1% |
| American Indian and Alaska Native alone, percent, 2012 (a) | 1.2% |
| Asian alone, percent, 2012 (a) | 5.1% |
| Native Hawaiian and Other Pacific Islander alone, percent, 2012 (a) | 0.2% |
| Two or More Races, percent, 2012 | 2.4% |
| Hispanic or Latino, percent, 2012 (b) | 16.9% |
| White alone, not Hispanic or Latino, percent, 2012 | 63.0% |
| Living in same house 1 year & over, percent, 2007-2011 | 84.6% |
| Foreign born persons, percent, 2007-2011 | 12.8% |
| Language other than English spoken at home, percent age 5+, 2007-2011 | 20.3% |
| High school graduate or higher, percent of persons age 25+, 2007-2011 | 85.4% |
| Bachelor's degree or higher, percent of persons age 25+, 2007-2011 | 28.2% |
| Veterans, 2007-2011 | 22,215,303 |
| Mean travel time to work (in minutes), workers age 16+, 2007-2011 | 25.4 |
| Housing units, 2011 | 132,312,404 |
| Homeownership rate, 2007-2011 | 66.1% |
| Housing units in multi-unit structures, percent, 2007-2011 | 25.9% |
| Median value of owner-occupied housing units, 2007-2011 | \$186,200 |
| Households, 2007-2011 | 114,761,359 |
| Persons per household, 2007-2011 | 2.60 |
| Per capita money income in the past 12 months (2011 dollars), 2007-2011 | \$27,915 |
| Median household income, 2007-2011 | \$52,762 |
| Persons below poverty level, percent, 2007-2011 | 14.3% |
| Business QuickFacts | USA |
| Private nonfarm establishments, 2011 | 7,354,043 |
| Private nonfarm employment, 2011 | 113,425,965 |
| Private nonfarm employment, percent change, 2010-2011 | 1.3% |
| Nonemployer establishments, 2011 | 22,491,080 |
| Total number of firms, 2007 | 27,092,908 |
| Black-owned firms, percent, 2007 | 7.1% |
| American Indian- and Alaska Native-owned firms, percent, 2007 | 0.9% |
| Asian-owned firms, percent, 2007 | 5.7% |
| Native Hawaiian and Other Pacific Islander-owned firms, percent, 2007 | 0.1% |
| Hispanic-owned firms, percent, 2007 | 8.3% |
| Women-owned firms, percent, 2007 | 28.8% |
| Manufacturers shipments, 2007 (\$1000) | 5,319,456,312 |
| Merchant wholesaler sales, 2007 (\$1000) | 4,174,286,516 |
| Retail sales, 2007 (\$1000) | 3,917,663,456 |
| Retail sales per capita, 2007 | \$12,990 |
| Accommodation and food services sales, 2007 (\$1000) | 613,795,732 |

| | |
|---------------------------------|--------------|
| Building permits, 2012 | 829,658 |
| Geography QuickFacts | |
| Land area in square miles, 2010 | 3,531,905.43 |
| Persons per square mile, 2010 | 87.4 |

(a) Includes persons reporting only one race.
(b) Hispanics may be of any race, so also are included in applicable race categories.

D: Suppressed to avoid disclosure of confidential information
F: Fewer than 25 firms
FN: Footnote on this item for this area in place of data
NA: Not available
S: Suppressed; does not meet publication standards
X: Not applicable
Z: Value greater than zero but less than half unit of measure shown

Source U.S. Census Bureau: State and County QuickFacts. Data derived from Population Estimates, American Community Survey, Census of Population and Housing, State and County Housing Unit Estimates, County Business Patterns, Nonemployer Statistics, Economic Census, Survey of Business Owners, Building Permits
Last Revised: Thursday, 27-Jun-2013 13:52:14 EDT

64 — THE SELF-SUFFICIENCY STANDARD FOR MARYLAND

Table 17
The Self-Sufficiency Standard for Montgomery County, MD 2012

| MONTHLY COSTS | Adult | Adult + Preschooler | Adult + Infant Preschooler | Adult + Preschooler School-age | Adult + School-age Teenager | 2 Adults + Infant | 2 Adults + Infant Preschooler | 2 Adults + Preschooler School-age |
|------------------------------|----------|---------------------|----------------------------|--------------------------------|-----------------------------|-------------------|-------------------------------|-----------------------------------|
| Housing | \$1,479 | \$1,677 | \$1,677 | \$1,677 | \$1,677 | \$1,677 | \$1,677 | \$1,677 |
| Child Care | \$0 | \$1,174 | \$2,223 | \$1,782 | \$608 | \$1,049 | \$2,223 | \$1,782 |
| Food | \$256 | \$389 | \$512 | \$584 | \$676 | \$623 | \$733 | \$802 |
| Transportation | \$181 | \$181 | \$181 | \$181 | \$181 | \$362 | \$362 | \$362 |
| Health Care | \$155 | \$393 | \$405 | \$416 | \$447 | \$456 | \$468 | \$479 |
| Miscellaneous | \$207 | \$381 | \$500 | \$464 | \$359 | \$417 | \$546 | \$510 |
| Taxes | \$727 | \$1,322 | \$1,930 | \$1,657 | \$1,063 | \$1,286 | \$1,740 | \$1,561 |
| Earned Income Tax Credit (-) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Child Care Tax Credit (-) | \$0 | -\$50 | -\$100 | -\$100 | -\$50 | -\$50 | -\$100 | -\$100 |
| Child Tax Credit (-) | \$0 | -\$83 | -\$167 | -\$167 | -\$167 | -\$83 | -\$167 | -\$167 |
| SELF-SUFFICIENCY WAGE | | | | | | | | |
| HOURLY | \$17.07 | \$30.59 | \$40.68 | \$36.90 | \$27.24 | \$16.29 | \$21.26 | \$19.62 |
| | | | | | | per adult | per adult | per adult |
| MONTHLY | \$3,005 | \$5,384 | \$7,161 | \$6,494 | \$4,795 | \$5,735 | \$7,482 | \$6,906 |
| ANNUAL | \$36,060 | \$64,606 | \$85,926 | \$77,933 | \$57,536 | \$68,825 | \$89,784 | \$82,877 |

Table 18
The Self-Sufficiency Standard for Prince George's County, MD 2012

| MONTHLY COSTS | Adult | Adult + Preschooler | Adult + Infant Preschooler | Adult + Preschooler School-age | Adult + School-age Teenager | 2 Adults + Infant | 2 Adults + Infant Preschooler | 2 Adults + Preschooler School-age |
|------------------------------|----------|---------------------|----------------------------|--------------------------------|-----------------------------|-------------------|-------------------------------|-----------------------------------|
| Housing | \$1,186 | \$1,345 | \$1,345 | \$1,345 | \$1,345 | \$1,345 | \$1,345 | \$1,345 |
| Child Care | \$0 | \$764 | \$1,596 | \$1,285 | \$521 | \$832 | \$1,596 | \$1,285 |
| Food | \$253 | \$385 | \$506 | \$577 | \$668 | \$615 | \$725 | \$793 |
| Transportation | \$181 | \$181 | \$181 | \$181 | \$181 | \$362 | \$362 | \$362 |
| Health Care | \$155 | \$393 | \$405 | \$416 | \$447 | \$456 | \$468 | \$479 |
| Miscellaneous | \$177 | \$307 | \$403 | \$380 | \$316 | \$361 | \$449 | \$426 |
| Taxes | \$581 | \$941 | \$1,231 | \$1,119 | \$850 | \$1,011 | \$1,262 | \$1,147 |
| Earned Income Tax Credit (-) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Child Care Tax Credit (-) | \$0 | -\$50 | -\$100 | -\$100 | -\$50 | -\$50 | -\$100 | -\$100 |
| Child Tax Credit (-) | \$0 | -\$83 | -\$167 | -\$167 | -\$167 | -\$83 | -\$167 | -\$167 |
| SELF-SUFFICIENCY WAGE | | | | | | | | |
| HOURLY | \$14.39 | \$23.76 | \$30.68 | \$28.61 | \$23.36 | \$13.77 | \$16.87 | \$15.82 |
| | | | | | | per adult | per adult | per adult |
| MONTHLY | \$2,533 | \$4,181 | \$5,399 | \$5,036 | \$4,111 | \$4,848 | \$5,939 | \$5,569 |
| ANNUAL | \$30,393 | \$50,176 | \$64,794 | \$60,426 | \$49,334 | \$58,173 | \$71,263 | \$66,830 |



THE PRINCE GEORGE'S COUNTY GOVERNMENT

OFFICE OF HUMAN RESOURCES MANAGEMENT

Rushern L. Baker, III
County Executive

Stephanye R. Maxwell, Esq., CPM
Director

Rhonda L. Weaver, Esq.
Deputy Director/Chief Labor Negotiator

Joanne Bonacci, IPMA-CP
Deputy Director

October 30, 2013

The Honorable Judge William D. Missouri
Co-Chair of the Compensation Review Board
Prince George's County Clerk of the County Council
14741 Governor Oden Bowie Drive
Upper Marlboro, MD 20772

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

Dear Co-Chairs Judge Missouri and Ms. Exum:

As requested from Mr. Robert Williams, Council Administrator, for the Prince George's County Council, dated October 24, 2013, attached you will find the necessary information. 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 to 2014. 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 2014 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 the 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

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

Co-Chairs for the Compensation Review Board

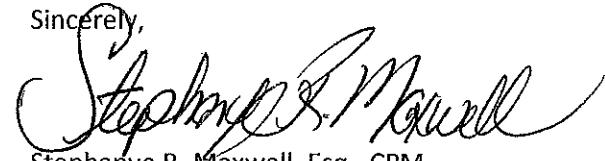
October 30, 2013

Page 2

after July 1, 2011. For those hired after July 1, 2011, the vesting period increased to ten (10) years, and the normal retirement date changed to age 65 with ten (10) or more years or the rule of 90.

Please let me know if you have any questions concerning the provided information.

Sincerely,



Stephanye R. Maxwell, Esq., CPM
Director

Attachments

cc: Bradford L. Seamon, Chief Administrative Officer
Glenda R. Wilson, Chief of Staff
Robert J. Williams, Council Administrator

PRINCE GEORGE'S COUNTY COUNCIL
AGENDA ITEM SUMMARY

Meeting Date: 11/6/2001

Reference No.: CR-78-2001

Proposer: County Executive

Draft No.: 1

Sponsors: Russell, Bailey, Wilson, Gourdine, Shapiro

Item Title: A Resolution providing for certain leave and benefits
 for exempt service employees

Drafter: Barbara L. Holtz, DCAO
 County Executive's Office

Resource Personnel: Joseph Adler
 Personnel Director

LEGISLATIVE HISTORY:

Date Presented: ____/____/____

Executive Action: ____/____/____

Committee Referral: 11/6/2001 PSFM

Effective Date: ____/____/____

Committee Action: 11/13/2001 FAV

Date Introduced: 11/6/2001

Public Hearing: ____/____/____ : ____

Council Action: 11/19/2001 ADOPTED

Council Votes: RVR:-, DB:A, JE:A, IG:A, TH:A, AS:A, PS:A, MW:A

Pass/Fail: P

Remarks: _____

PUBLIC SAFETY & FISCAL MANAGEMENT COMMITTEE REPORT Date: 11/13/01

Committee Vote: Favorable, 3-0, (In favor: Councilmembers Scott, Estepp and Shapiro).

This resolution will provide compensation and benefits to exempt service employees. This salary plan captures the best practices of neighboring jurisdictions while maintaining and enhancing the benefits already provided to certain exempt employees by Prince George's County.

The new benefits include:

1. Providing exempt employees with the advancement of 80 hours of annual leave and sick leave, or accruing annual leave up to a maximum rate. This benefit is not granted to elected officials.
2. Additional life insurance, provided the premium does not exceed 7% of

annual salary.

3. Adjusting the County's contribution to an alternate defined contribution or deferred compensation plan at 5%. Previously, the rate was pegged to the cost of the State Retirement System. This adjustment is effective retroactive to July 1, 2001.
4. Automobile allowance not to exceed the cost, and in lieu of, a County provided automobile.
5. The County Executive and the County Council may grant relocation allowance to reimburse for the reasonable costs of relocation to the County for prospective top level employees.
6. Participation in various health insurance plans available to merit system employees will continue.

In items 2, 3 and 4, the benefit will apply to the County Executive and the members of the County Council with a term beginning after November, 2002.

The Legislative Officer stated that his position on page 4, line 14, is a classified service position, not an exempt position covered by CR-78-2001.

There will be a negative fiscal impact on the County related to increased costs for additional benefits. An amount cannot be determined at this time.

BACKGROUND INFORMATION/FISCAL IMPACT
(Includes reason for proposal, as well as any unique statutory requirements)

This Resolution will amend the Exempt Pay Plan to reflect additional leave and benefits for certain exempt employees.

CODE INDEX TOPICS:

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

A RESOLUTION concerning

Exempt Employees - Salary Plan

For the purpose of providing for certain leave and benefits for exempt service employees.

WHEREAS, Section 402(5) of the Prince George's County Charter provides for the County Executive to prepare an Executive Pay Plan establishing compensation of the Chief Administrative Officer and the head of each agency of the Executive Branch, subject to approval of the County Council; and

WHEREAS, Section 903 of the Prince George's County Charter provides for the approval of Salary Plans by the County Council after having first been submitted by the County Executive; and

WHEREAS, by CR-179-1985, CR-4-1986, CR-77-1986 and CR-14-1988 the County has previously established certain benefits for exempt service employees of the County; and

WHEREAS, the County Executive has recommended that certain additional benefits be approved for certain exempt service employees.

NOW, THEREFORE, BE IT RESOLVED by the County Council of Prince George's County, Maryland, that the following provisions relating to leave and benefits for certain exempt service employees, submitted and recommended by the County Executive on November 6, 2001, be and the same are hereby approved as an amendment to the salary plan adopted by CR-179-1985 and previously amended by CR-4-1986, CR-77-1986 and CR-14-1988:

B. Annual Leave

1. The Chief Administrative Officer, the head of each agency, the [aides to] immediate staff of the County Executive, the Council Administrator, the County Auditor and the

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



THE PRINCE GEORGE'S COUNTY GOVERNMENT

OFFICE OF HUMAN RESOURCES MANAGEMENT

Rushern L. Baker, III
County Executive

Stephanye R. Maxwell, Esq., CPM
Director

Rhonda L. Weaver, Esq.
Deputy Director/Chief Labor Negotiator

Joanne Bonacci, IPMA-CP
Deputy Director

January 15, 2013

The Honorable Judge William D. Missouri
Co-Chair of the Compensation Review Board
Prince George's County Clerk of the County Council
14741 Governor Oden Bowie Drive
Upper Marlboro, MD 20772

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

RE: Prince George's County Compensation Review Board

Dear Co-Chairs Judge Missouri and Ms. Exum:

In response to a request from Mr. Robert Williams, Council Administrator, for the Prince George's County Council, dated January 10, 2014, this letter will respond to the questions raised regarding the Prince George's County General Schedule Supplemental Pension Plan. Your questions and responses are summarized below.

1. In the 401 Defined Contribution Plan, what would be the effect of an increase in the County's contribution rate to 10% and to 15%?

Response. The 2014 annual employer cost for each of two Councilmember enrolled in the 401 Plan is \$5,185.80. Assuming the average annual compensation of the Councilmembers is \$110,000, and all nine members participate, the cost for 5%, 10% and 15% contribution rates would be \$49,500.00, \$99,000.00 and \$148,000.00, respectively.

2. What is the range of other comparable jurisdictions contribution rates for elected officials' pension packages?

Response. Specific pension contribution rates for elected officials in other jurisdictions are not available at this time. Enclosed is an excerpt from the Report and Recommendation of the Anne Arundel County Council Salary Standard Commission, which provides a summary of compensation and benefits from comparable Maryland counties. Also, we have requested comparison data from other jurisdictions and organizations.

Co-Chairs for the Compensation Review Board

January 15, 2014

Page 2

3. Please provide a payout profile of a new Councilmember receiving the County Supplemental and the Maryland State Pension versus a Councilmember receiving the County Supplemental and the current 401 Defined Contribution Plan. And finally, please provide a payout profile for a new Councilmember receiving the 401 Defined Contribution Plan under an enhanced 10% and 15% County contribution rate. Under this last scenario, the employee contribution for the 401 Defined Contribution Plan remains the same (5%).

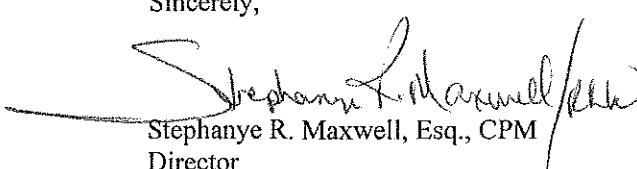
Response. The enclosed pension benefit estimates for the General Schedule Supplemental Plan and the Maryland State Pension System for a Councilmember hired on December 1, 2014, age 45, assuming ten (10) years of service, with a vested retirement at age 65 in 2034, shows an annual combined lifetime benefit of \$18,231.00 (Supplemental - \$10,000.00 + State - \$8,231).

A member enrolled in the General Schedule Supplemental Plan with \$10,000.00 per year in the 401 Plan, assuming a 5% average annual rate of return for funds invested over ten (10) years, would be an annual benefit of approximately \$142,068.00 (Supplemental - \$10,000.00 + 401 Plan - \$132,068.00). Please note the 401 Plan is an account balance and not a lifetime payment.

With regard to a 401 Plan employer contribution of either 10% or 15%, the payout will depend on how the funds are invested and the rate of return earned over those years. For example, assuming \$15,000.00 is invested for ten (10) years, with a 5% average rate of return, the payout would be approximately \$198,102.00. Assuming \$20,000.00 is invested for ten (10) years, with a 5% average annual rate of return, the payout would be approximately \$264,136.00.

Please let me know if you have any questions concerning the provided information.

Sincerely,


Stephanye R. Maxwell, Esq., CPM
Director

Enclosures

cc: Bradford L. Seamon, Chief Administrative Officer
Glenda R. Wilson, Chief of Staff
Robert J. Williams, Council Administrator
Kathleen W. Colbert, Retirement Administrator

TO PROVIDE YOU WITH AN ACCURATE ESTIMATE OF YOUR MONTHLY BENEFIT, YOUR ACTUAL BENEFIT WILL DEPEND UPON INFORMATION WHICH CANNOT BE PRECISELY CALCULATED AT THIS TIME. IN ADDITION, BENEFITS ARE SUBJECT TO LIMITS UNDER THE INTERNAL REVENUE CODE AND EVERY BENEFIT PROVIDED MUST OBSERVE THESE LIMITS.

SUPPLEMENTAL PENSION PLAN

PLAN: **General Schedule**

Name: New Hire (10 years vested collect at age 65)

DOH: 12/01/14

Eff. Date: 12/01/2024

DOB: 11/01/69

Employee ID# 1111111111

SDOB:

SSN: xxx-xx-1111

Vested Ret. Date: 12-01-2034

COMPENSATION HISTORY

| FROM | TO | COMPENSATION | DAYS | EARNINGS |
|----------|----------|--------------|------|------------|
| 12/01/19 | 12/01/24 | \$100,000 | 1800 | 500,000.00 |

| | |
|------------------------------|--------------|
| TOTAL # OF DAYS | 1800 |
| FIVE YEAR TOTAL | \$500,000.00 |
| AVERAGE ANNUAL COMPENSATION | \$100,000.00 |
| AVERAGE MONTHLY COMPENSATION | \$8,333.33 |

FORMULA: AVG. MONTHLY COMP X % X ACTUAL SERVICE = MONTHLY BENEFIT
CONTINGENT ANNUITANT-AGES: PARTICIPANT SPOUSE

| | | | |
|------------|------|-------|----------|
| \$8,333.33 | 0.01 | 10.00 | \$833.33 |
|------------|------|-------|----------|

| | |
|---------------------------------|-------------|
| MONTHLY RETIREMENT BENEFIT | \$833.33 |
| ANNUAL RETIREMENT BENEFIT | \$10,000.00 |
| PERCENT OF AVERAGE FINAL SALARY | 10.00% |

CONTINGENT ANNUITANT

| Percent | Joint Annuitant | Monthly Benefit | Contingent Annuitant |
|---------|-----------------|-----------------|----------------------|
| 50 | | | |

Prepared by _____
Checked by _____
Approved By _____

Date 01/14/14
Date _____
Date _____

METHOD FOR ESTIMATING BENEFITS UNDER THE MARYLAND STATE PENSION SYSTEMS

MAXIMUM ALLOWANCE ESTIMATES

NAME: New Hire (10 years vested collect at age 65 SS# xxx-xx-1111

SEPARATION:

| |
|----------|
| 11/30/24 |
|----------|

 EFFECTIVE:

| |
|----------|
| 12/01/34 |
|----------|

 X VESTED
 EARLY - AGE 60 WITH 15+ YEARS OF SERVICE
 NORMAL - RULE OF 90 AGE AND ELIGIBILITY SERVICE
 NORMAL - BASED ON AGE 65 WITH 10+ YRS OF SERVICE

AVERAGE FINAL SALARY: \$100,000.00

| CREDITED SERVICE AS OF: | DATE | MTHS | = | YEARS |
|-------------------------|----------|------|---|---------|
| | 12/01/24 | 120 | | 10.0000 |

| DATE OF BIRTH: | AGE | YEARS | MONTHS | DAYS |
|----------------|----------|-------|--------|------|
| | 11/01/69 | 65 | 1 | 0 |

To estimate your Maximum Benefit for which you may be eligible at age 62 with 5 years of creditable service, at age 63 with 4 years, at age 64 with 3 years, or at age 65 or older with 2 yrs of creditable service or with 30 years of creditable service, regardless of age use the following method.

| | | | | | | | | |
|---|---|----------|---|---------|---|----------------------------------|---|--------------------------|
| 0.8% | x | 96700.00 | x | 10.0000 | = | 7736.00 | (a) | Maximum Annual Allowance |
| 1.5% | x | 3300.00 | x | 10.0000 | = | 495.00 | (b) | Maximum Annual Allowance |
| AFS 100,000.00 SSIL* 96,700.00 EXCESS 3,300.00 | | | | | | Divided by = 8231.00 | 685.92 | Total (a + b) |
| (Reduction if early retirement) <input style="width: 100px; height: 15px; border: 1px solid black;"/> | | | | | | 0.00 | Maximum Monthly Allowance (Age 62) | |
| | | | | | | \$685.92 | Monthly Benefit Early Retirement (Age 55) upon separation | |

*Social Security Integration Level is the average of the Social Security wage bases between 1959 and the retirement year. The SSIL changes annually as of January 1.

NOTE: If you are within 1 year of retirement eligibility, obtain a form MSRS-9A, "Application for An Estimate of Service Retirement Allowance", from your retirement coordinator who is located at your employing agency. THIS FORM DOES NOT COMMIT YOU TO RETIRE.

NOTE: .5% reduction for each month (6% per year) prior to age 62.

ESTIMATES ONLY - Upon actual retirement estimates to be requested from Maryland State approximately six months prior to effective date by completing form MSRS-9A.

PREPARED BY _____

CHECKED BY _____

APPROVED BY _____