

Department of Legislative Services
Maryland General Assembly
2005 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 965

(Harford County Senators)

Judicial Proceedings

Environmental Matters

Harford County Sheriff - Salary

This bill increases the annual salary for the Harford County Sheriff from \$90,000 to \$98,500 on January 1, 2007. The salary is to be adjusted annually each July 1 beginning in 2007 to reflect the annual change in the Consumer Price Index (CPI), as long as the adjustment to the sheriff's salary does not exceed 3% in any fiscal year.

Fiscal Summary

State Effect: None.

Local Effect: Harford County expenditures could increase by \$4,700 in FY 2007 and by \$16,800 in FY 2010 for increased compensation for the Harford County Sheriff. County revenues would not be affected.

Small Business Effect: None.

Analysis

Current Law: The current salary of the Harford County Sheriff is \$90,000. Salary adjustments for constitutional officers take effect at the beginning of the next term of office. The next term of office for the Harford County Sheriff begins in December 2006; however, the salary change would not take affect until January 2007.

Background: The Harford County Sheriff's salary was last adjusted by Chapter 468 of 2001, when it was increased from \$78,000 to \$84,000 in 2003, and again to \$90,000

beginning in 2004. **Exhibit 1** shows the current sheriffs' salaries for metropolitan area counties.

The CPI is a measure of the average change in prices overtime of goods and services purchased by households. The U.S. Bureau of Labor Statistics publishes CPIs for two population groups: (1) the CPI for urban wage earners and clerical workers (CPI-W); and (2) the CPI for all urban consumers (CPI-U). The CPIs are based on the prices of food, clothing, shelter, fuels, transportation fares, charges for doctors' and dental services, drugs, and other goods and services that people buy for day-to-day living. Prices are collected in 87 urban areas across the country from about 50,000 housing units and approximately 23,000 retail establishments, and include taxes directly related to the goods or services.

Exhibit 1
Current Sheriffs' Salaries for Metropolitan Counties

<u>Jurisdiction</u>	<u>July 2003 Population</u>	<u>Salary of Sheriff</u>
Anne Arundel	506,620	\$92,527
Baltimore City ¹	628,670	72,000
Baltimore	777,184	70,000
Carroll ²	163,207	60,000
Frederick	213,662	80,000
Harford	232,175	90,000
Howard ³	264,265	65,000
Montgomery	918,881	107,758
Prince George's	838,716	101,000

¹Salary increases to \$74,000 in calendar 2006.

²Salary increases to \$65,000 on 12/01/2005.

³Salary increases to \$66,500 in calendar 2006.

Local Fiscal Effect: The bill increases the salary for the Harford County Sheriff to \$98,500 on January 1, 2007, and it requires that the salary be adjusted on July 1 of each year, beginning in 2007. Therefore, using \$98,500 as the base salary, on July 1, 2007 the salary would increase to \$100,578, assuming a nonseasonally adjusted CPI for all urban consumers of 2.11% for the previous calendar year (2006). Similarly, the salary would be adjusted each subsequent fiscal year to reflect the CPI of the previous calendar year.

Exhibit 2 shows the adjusted salary to reflect the projected increase in the CPI. To the extent that the CPI differs from the current projections, the salary would either increase or decrease to reflect the actual CPI.

Exhibit 2
Annually Adjusted Salary

<u>Fiscal Year</u>	<u>CPI</u> ²	<u>Salary</u>
2008	2.11%	100,578
2009	2.47%	103,063
2010	2.19%	105,320
Base Salary ¹		\$98,500

¹ Takes effect January 1, 2007

² CPI given is the projected CPI for the previous calendar year.
Projected CPI Source: economy.com

Harford County fiscal 2007 expenditures would increase by \$4,655 for salary (\$4,250) and fringe benefits (\$405), reflecting the six-month period of January through June 2007. In fiscal 2010, expenditures would increase by \$16,778 for salary (\$15,320) and fringe benefits (\$1,458). **Exhibit 3** shows the breakdown of the increased compensation of the Harford County Sheriff for fiscal 2007 through 2010. This estimate assumes salary growth concurrent with the current CPI projections as well as a constant fringe benefits rate.

Exhibit 3
Increased Compensation for the Harford County Sheriff
Fiscal 2007 – 2011

<u>Fiscal</u> <u>Year</u>	<u>Salary</u> <u>Increase</u>	<u>Fringe</u> <u>Benefits</u>	<u>Total</u>
2007	\$4,250	\$405	\$4,655
2008	10,578	1,007	11,585
2009	13,063	1,244	14,306
2010	15,320	1,458	16,778

Note: The sheriff's salary is adjusted to reflect the CPI beginning July 1, 2007 and each July 1 thereafter.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Harford County, U.S. Bureau of Labor Statistics, Economy.com, Department of Legislative Services

Fiscal Note History: First Reader - March 22, 2005
ncs/hlb Revised - Senate Third Reader - April 5, 2005

Analysis by: Joshua A. Watters

Direct Inquiries to:
(410) 946-5510
(301) 970-5510