

Department of Legislative Services
Maryland General Assembly
2014 Session

FISCAL AND POLICY NOTE

House Bill 1436

(Calvert County Delegation)

Environmental Matters

Education, Health, and Environmental Affairs

Calvert County - Salaries of County Officials and County Commissioner
Retirement Plan Participation

This bill increases the annual salary for certain officials in Calvert County. The annual salary of the county sheriff increases from \$87,000 to \$90,480. The annual salary for the chief judge of the orphans' court increases from \$8,950 to \$9,130, while the salaries of the other judges of the orphans' court increase from \$8,750 to \$8,925. The annual salary for the county treasurer increases from \$51,000 to \$52,020. In addition, the bill authorizes the Calvert County Commissioners to participate in the Calvert County Employees Retirement Savings Plan.

Fiscal Summary

State Effect: None.

Local Effect: Calvert County expenditures increase by \$3,700 in FY 2015 and by \$7,600 in FY 2016 and each subsequent fiscal year. Revenues are not affected.

Small Business Effect: None.

Analysis

Current Law: Salary adjustments for local officials take effect at the beginning of the next term of office, which is January 2015 for the public officials covered by the bill. There are five county commissioners, including the president, and one chief judge and two judges on the orphans' court.

Background: The salaries for the county treasurer, sheriff, and orphans’ court judges were last increased by Chapter 546 of 2006. The treasurer’s salary increased from \$45,500 to \$46,875 for calendar 2006 and by \$1,375 annually through calendar 2009; and the sheriff’s salary increased from \$64,500 to \$78,000 for calendar 2006 and by \$3,000 annually through calendar 2009.

The salary of the chief judge of the orphans’ court increased from \$7,950 to \$8,200 for calendar 2006 and the salaries of the orphans’ court judges increased from \$7,750 to \$8,000 for calendar 2006; salaries for both the chief judge and the judges of the orphans’ court increased by \$250 annually through calendar 2009.

Calvert County Employees Retirement Savings Plan is a defined contribution pension plan entailing a 5% county contribution and a required 3% contribution from all eligible employees.

Local Fiscal Effect: Calvert County advises that the Calvert County Commissioners currently participate in the Calvert County Employees Retirement Savings Plan. Expenditures related to the commissioners’ participation in the plan are therefore not increased under the bill, which codifies current practice.

Annual salary changes for Calvert County public officials included in the bill are shown in **Exhibit 1**. Calvert County expenditures would increase by \$3,697 in fiscal 2015 and by \$7,595 in fiscal 2016 and subsequent fiscal years for increased salary and benefits for county officials included in this bill. Included in this total is the employer contribution rate for fringe benefits of 47% in fiscal 2015 and 51% in fiscal 2016 as advised by the county. **Exhibit 2** shows the breakdown of the increase in compensation for each position in fiscal 2015 and 2016, and **Exhibit 3** shows the total compensation increase for all public officials included in the bill in fiscal 2015 and 2016. Assuming the contribution rate for fringe benefits remains constant at 51%, annual increases of \$7,595 continue each fiscal year after fiscal 2016.

Exhibit 1
Proposed Salary Changes for Calvert County Officials

<u>Public Official</u>	<u>Current</u>	<u>HB 1436</u>	<u>Increase</u>
Treasurer	\$51,000	\$52,020	\$1,020
Sheriff	87,000	90,480	3,480
Orphans’ Court – Chief Judge	8,950	9,130	180
Orphans’ Court – Judge	8,750	8,925	175

Exhibit 2
Compensation Changes for Calvert County Officials
Fiscal 2015-2016

<u>Public Official</u>	<u>Fiscal Year</u>	<u>Salary Increase</u>	<u>Benefits</u>	<u>Total</u>
Treasurer	2015	\$510	\$240	\$750
	2016	1,020	520	1,540
Sheriff	2015	1,740	818	2,558
	2016	3,480	1,775	5,255
Orphans' Court – Chief Judge	2015	90	42	132
	2016	180	92	272
Orphans' Court – Judge	2015	88	41	129
	2016	175	89	264

Exhibit 3
Calvert County Public Officials – Total Compensation Increase
Fiscal 2015-2016

<u>Public Official</u>	<u>FY 2015</u>	<u>FY 2016</u>
Treasurer	\$750	\$1,540
Sheriff	2,558	5,255
Orphans' Court – Chief Judge	132	272
Orphans' Court – Judges (2)	257	529
Total	\$3,697	\$7,595

Additional Information

Prior Introductions: None.

Cross File: While SB 612 is not identified as a cross file, the bills are identical.

Information Source(s): Calvert County, Department of Legislative Services

Fiscal Note History: First Reader - March 12, 2014
ncs/hlb

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