

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

House Bill 936 (Kent County Delegation)
Commerce and Government Matters

Kent County - County Treasurer - Salary

This bill increases the salary of the Kent County Treasurer from \$40,000 to: (1) \$45,000 in calendar 1999; (2) \$46,000 in calendar 2000; (3) \$47,000 in calendar 2001; and (4) \$48,000 in calendar 2002 and annually thereafter. The salaries are not effective until the beginning of the next term office.

Fiscal Summary

State Effect: State expenditures would increase by a minimal amount as discussed below. No effect on revenues.

Local Effect: Kent County expenditures would increase by \$2,700 in FY 1999; \$6,000 in FY 2000; \$7,100 in FY 2001; \$8,200 in FY 2002; and \$8,700 annually thereafter. No effect on revenues.

Small Business Effect: None. The bill would not directly affect small businesses.

Fiscal Analysis

State Expenditures: The State is responsible for making the retirement contributions for the Kent County Treasurer. Based on the State's fiscal 1998 employer contribution rate of 8.21% of salary, expenditures would increase by \$205 in fiscal 1999; \$452 in fiscal 2000; \$534 in fiscal 2001; \$616 in fiscal 2002; and \$657 annually thereafter. Actual increases will depend upon the contribution rate in effect for any given year.

Local Effect: Under existing law, the Kent County Treasurer's salary is \$40,000 annually, excluding fringe benefits. On a fiscal year basis, this corresponds to a salary and fringe benefits of \$43,600 annually, reflecting fringe benefits at 9% of salaries. The bill increases the salary to \$45,000 in calendar 1999 and by \$1,000 annually thereafter through calendar 2001. Beginning in calendar 2002, the salary would be fixed at \$48,000 annually. Since the salaries are based on calendar years, the out-year fiscal impact would reflect salary increases covering two calendar years. As a result, expenditures would increase by \$2,725 in fiscal 1999. This estimate reflects the salary increase for six months and fringe benefits at 9% of the salary. Future expenditure increases would be \$5,995 in fiscal 2000; \$7,085 in fiscal 2001; and \$8,175 in fiscal 2002. Beginning in fiscal 2003, expenditures would increase by \$8,720 annually over fiscal 1998 levels, reflecting the additional salary increase and fringe benefits.

Information Source(s): Kent County, Department of Fiscal Services

Fiscal Note History: First Reader - February 20, 1997

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