

**ANNE ARUNDEL COUNTY COUNCIL
2021 SALARY STANDARD COMMISSION**

Arundel Center
Annapolis, MD 21401

December 20, 2021

Anne Arundel County Council
44 Calvert Street
Annapolis, MD 21401

Dear Chairwoman Rodvien and Members of the County Council:

I am pleased to present the final report of the 2021 Salary Standards Commission with our recommendations for Anne Arundel County Council Members elected in November 2022.

By Council Resolution 43-21, adopted on September 7, 2021, and consistent with the requirements of the Annotated Code of Maryland and the Anne Arundel County Charter, the members appointed to the Commission included myself (O'Brien Atkinson), serving as Chair, Idella Gregory, serving as Vice Chair, Phiona "Quincy" Bareebe, Brian Griffiths, Douglas Nichols, Tyler Patton, and William Kraus.

Over the past several months, the Commission conducted research and received information from the incumbents, the Personnel Officer, Budget Officer, and other County staff. We also reviewed data related to the Anne Arundel County budget, coupled with a review of the compensation and history of our County Council and County Council members of comparable jurisdictions.

All of our meetings were open to the public in accordance with the Maryland Open Meetings Act.

The ability of the Commission to complete our work in a timely and thorough manner is a reflection of the commitment of the Commission and County staff who assisted us with coordination, research, and legal opinions. In particular, the Commission would like to thank Laura Corby, Administrative Officer, Kaley Schultze, Assistant Administrative Officer, Susan F. Cline, Legislative Secretary, Linda Schuett, Esq., Legislative Counsel, Lori L. Blair Klasmeier, Deputy County Attorney.

The members of the Commission thank you for giving us the opportunity to serve the citizens of Anne Arundel County in this assignment. Although our formal charge is complete upon submission of our report, we are available to provide further advice or consultation at your request.

Sincerely,



O'Brien Atkinson, IV

Chair, Anne Arundel County Council 2021 Salary Standard Commission

**REPORT AND RECOMMENDATIONS OF THE
ANNE ARUNDEL COUNTY COUNCIL
2021 SALARY STANDARD COMMISSION**

Introduction

The 2021 Salary Standard Commission is pleased to submit its report and recommendation for compensation and allowances to be paid to members of the County Council who are elected to office at the 2022 general election.

The Salary Standard Commission is made up of an eclectic group of representatives with differing viewpoints on how our elected officials should be compensated. As highlighted by prior Commissions, members of the County Council are not “employees” in the traditional sense. They are elected officials who hold offices of public trust. The Charter Board that developed the County’s charter is on record having stated, “The Charter board is convinced that membership on the Council is an honor, a duty, and a responsibility of the citizens of the community.”

Determining the proper level of compensation and allowances for members of the County Council, as also noted in previous reports, is neither a science nor an art. It requires a balancing of many factors. While many of these factors remain consistent year to year, new factors present themselves, and the weight of each of these factors varies with each passing Commission.

The fact that compensation for County Council members is less today than it was twenty years ago weighed heavily on many of our Commission members, however, the Commission was consistently reminded that reductions in benefits and allowances were done without the recommendation or support of prior Salary Standards Commission members. Cuts were made under the banner of fiscal conservatism at the hands of the County Council members themselves.

Four years ago, the Salary Standards Commission shone a bright light on the fact that the salaries and benefits for County Council members had fallen drastically behind over the last twenty years, as demands for constituent services and community outreach have increased dramatically. The County Council, at that time, approved the recommendations of the Commission with little to no fanfare. Although they carried little weight with the current Commission, the key findings of the 2017 Commission were considered.

We sincerely hope that the County Council will accept and implement the recommendations of our Commission for the next Council. A great deal of work went into the formulation of our recommendations and we remain available to address any questions or concerns that the County Council may have with regard to those recommendations.

Summary of Recommendations:

Salary Adjustment	2023	2024	2025	2026
Councilmember	\$42,161	\$43,215	\$44,295	\$45,402
Vice Chair	\$43,271	\$44,353	\$45,461	\$46,598
Chair	\$47,153	\$48,332	\$49,540	\$50,779

Current Council Member salaries are as follows:

Councilmember	\$41,133
Council Vice Chair	\$42,216
Council Chair	\$46,003

Recommended Constituent Outreach Allowances	Phone, Internet	Automobile Allowance
Councilmember	\$100/month	\$450/month
Vice Chair	\$100/month	\$450/month
Chair	\$100/month	\$450/month

Current Outreach Allowances	Phone, Internet	Automobile Allowance
Councilmember	\$100/month	\$350/month
Vice Chair	\$100/month	\$350/month
Chair	\$100/month	\$350/month

Healthcare

When compared to other comparable jurisdictions, it was discovered that most receive healthcare benefits as a part of their compensation. Anne Arundel County Council members also receive healthcare benefits. However, unlike other jurisdictions, members of the Anne Arundel County Council must currently pay 100% of the premium costs for the county health care plan—there is no County contribution toward health care costs for Council Members. Conversely, both fulltime and part time employees in Anne Arundel County are provided with healthcare subsidies as a matter of practice.

According to documentation provided to the Commission, County employees have health benefits which were once enjoyed by County Council Members, however, those benefits were removed by a vote of the Council themselves. Full-time employees and part-time employees working 50% or more are eligible for medical, dental, visions, FSA, basic and supplemental life insurance. A full-time employee that is enrolled in the County's healthcare plan pays 15% of the cost. Part-time employees pay more for health insurance based on their percentage of employment. For example, if the County pays \$1414.51 per month for a full-time employee, a part time employee working 50% of that time will only receive \$707.26. The employee is responsible for the remainder.

Without making a determination or judgement as to whether County Council membership is employment per se, much less full-time or part-time, the Commission is recommending a 50% subsidy for County Council members who receive their healthcare benefits through the County Government. The justification for this recommendation is that the Commission feels that providing health coverage, even at a 50/50 cost sharing, will aid in encouraging citizens to run for positions on the Council. The Commission recognizes that good government is not best served if only the wealthy can afford to serve. While many of the current Council have health benefits, the Commission felt that this is not universally true of all our County residents, so providing an option to obtain coverage was a benefit that would serve to increase the pool of qualified candidates for service on the Council.

Pension

When compared to other comparable jurisdictions, Anne Arundel County Council members are currently listed as providing pension benefits. However, unlike other jurisdictions, members of the Anne Arundel County Council are currently only eligible to receive a benefit after 10 years of actual plan service plus transferred service from the State or a political subdivision of the State. Council Members are limited to 2 consecutive 4-year terms. Unless they have additional service, they will likely not vest in the pension plan and therefore receive no pension benefits. While we discussed this fact, the Commission is making no recommendations for modifying pension benefits at this time.

Cost of Living Adjustments

There was a great deal of discussion about providing a cost of living adjustment to the recommendation provided by the Commission, however, the Commission decided that there would be no structured cost of living adjustments at this time as the members felt that the proposed salary increase adequately addressed the issue of compensation.

Background

There was considerable discussion and debate surrounding the best way that our Commission could honor the wishes of the Charter Board, consider the needs of the constituents, and balance

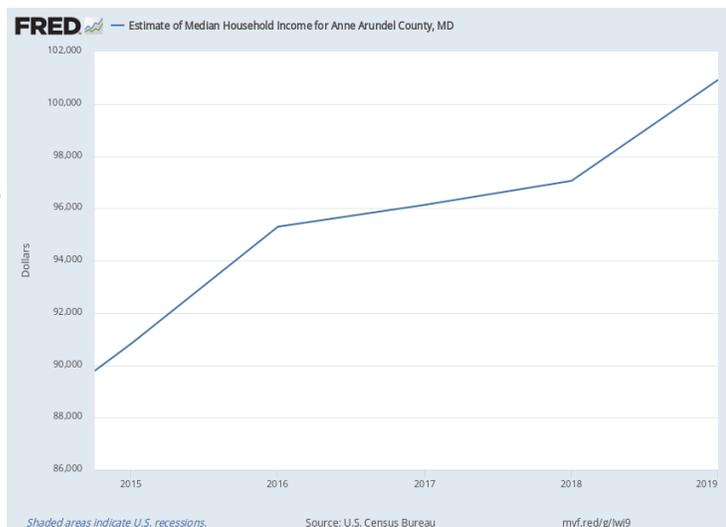
the need to provide fair compensation for anyone wishing to take on the responsibility of public service on the County Council.

The Commission also noted that many of the Council members work considerable hours in fulfilling both legislative and constituent duties. While we recognize that how much time a Council member works is a factor of their own choosing, and should not form the basis of determining compensation, we recognize the considerable time and effort our Council members put forth in the fulfillment of their offices and that was a motivating factor in our recommendations today.

In the end, one Commissioner was able to strike the delicate balance which brought together our recommendations for this session. Commissioner William Kraus provided his insight to the Commission and offered several thoughts. He pointed out that on three occasions, the Council chose not to accept a recommendation, or did not put forward a bill, to raise their salaries. We also discussed the fact that many of the cuts to benefits provided to the County Council were made, voted on, and approved by members of past County Council themselves. As such, he said that we should feel no obligation to make up for their past choices, nor feel compelled to compare our situation and needs to those of other counties in Maryland. He also pointed out that council jobs are not fungible, with labor traveling to wherever they can get the most for their talents. People run to serve in the County that they choose to make their home. As a result, while he and other members found the other county salaries informative, many did not believe they should dictate how we would proceed with our recommendation.

That said, we all agree that good governance is fundamental to a harmonious and prosperous community, and providing a reasonable compensation for the Council will help entice people to consider taking on the duties and responsibilities of these positions, which in itself creates a public good. While the success of our citizens is properly attributed to their own efforts and talents, it cannot be denied that an efficient county government materially contributes to the education, health, public safety and constructive business environment that gives its citizens the environment, resources and opportunities they need to succeed and prosper.

Commissioner Kraus noted that in 2019, the US Census Bureau reported the median household income in Anne Arundel County was \$90,825. Today, the Census Bureau reports it to be \$100,798. This equates to a 9% increase in the last 3 years. Similarly, the County estimates that revenue to the County Government will increase in 2022 by 9%. Curiously enough, according to the Census Bureau, between the 2010 and 2020 census, the County's population rose by 9% (from 539,284



to 588, 261). He painted a very clear picture of where he was headed.

He made the case that these figures present a realistic point to use in assessing what is an appropriate increase in the Council member's salaries. It is by the Council's efforts that our citizens have had the kind of governance that promotes the educational and business opportunities and the community environment for people to prosper. It is only reasonable and appropriate that the Council should be rewarded for that effort.

Commissioner Kraus stated, "In searching to find a reasonable amount, I have considered the figures I just recounted to you. While I recognize this measure is not always going to be appropriate as a means of recommending a salary for the Council, and it may not be the best, it seems, in these uncertain economic times, a reasonable basis in this instance. It presents an easily identified and rational figure that is not only responsive to the progress made in our County but also within the range of amounts and percentages that has been expressed by many of the members of the Commission." In an effort to identify a workable and easily budgeted amount, the Commission ultimately agreed to recommend a 2.5% increase each year, for the next four years, resulting in a 10% increase overall.

Considerations Discussed

Despite recommendations to do so, the Council did not raise salaries for future Council Members from 2003 - 2017.

Two Salary Standard Commissions held since 2003 recommended increases for the Council. One recommended no increase and none recommended reductions in other benefits and allowances.

- The Salary Standard Commission of 2005 recommended an increase on a graduated basis of 2% per year in each of the four years of the following term of office.
- In the midst of the recession, the Salary Standard Commission of 2009 recommended no increase in salary.
- The Salary Standard Commission of 2013 recommended a salary increase of 3% annually for the subsequent 4 years.

Despite recommendations to maintain certain benefits, the County Council has stripped themselves of several benefits worth more than half of a current Council member's salary.

The total compensation package of Council members has worsened over the past few years, as salary levels have been held flat and benefits and allowances have been removed. Even during the midst of the recession, the Salary Standard Commission of 2009 recommended maintaining

all benefits and allowances. Instead, the Council reduced and eliminated benefits in 2010, and again in 2013.

Total Compensation Package

The Commission reviewed the salary and benefits as a total compensation package, and found that the modest salary increases, accompanied by limited healthcare benefits, and reasonable allowances for vehicle use and computer and phone communications would result in a total compensation package was reasonable, fiscally prudent, and would seek to encourage citizens to not be dissuaded from public service by the compensation available in a Council position.

a. Year beginning January 2023

	2022 Salary	Increase	2023 Salary	Increase of	Phone/Internet	Car Use
Council	\$41,133	2.5%	\$42,161	\$1,028	\$100/month	\$450/month
Vice Chair	\$42,216	2.5%	\$43,271	\$1,055	\$100/month	\$450/month
Chair	\$46,003	2.5%	\$47,153	\$1,150	\$100/month	\$450/month

b. Year beginning January 2024

	2023 Salary	Increase	2024 Salary	Increase of	Phone/Internet	Car Use
Council	\$42,161	2.5%	\$43,215	\$1,054	\$100/month	\$450/month
Vice Chair	\$43,271	2.5%	\$44,353	\$1,082	\$100/month	\$450/month
Chair	\$47,153	2.5%	\$48,332	\$1,179	\$100/month	\$450/month

c. Year beginning January 2025

	2024 Salary	Increase	2025 Salary	Increase of	Phone/Internet	Car Use
Council	\$43,215	2.5%	\$44,295	\$1,080	\$100/month	\$450/month
Vice Chair	\$44,353	2.5%	\$45,461	\$1,108	\$100/month	\$450/month
Chair	\$48,332	2.5%	\$49,540	\$1,179	\$100/month	\$450/month

d. Year beginning January 2026

	2025 Salary	Increase	2026 Salary	Increase of	Phone/Internet	Car Use
Council	\$44,295	2.5%	\$45,402	\$1,107	\$100/month	\$450/month
Vice Chair	\$45,461	2.5%	\$46,598	\$1,137	\$100/month	\$450/month
Chair	\$49,540	2.5%	\$50,779	\$1,239	\$100/month	\$450/month

Legal Authority for the Establishment of the Commission

MD Code, Local Government, § 10-302, (a) states that “by ordinance, a county may establish a commission to recommend compensation and allowances for members of the county legislative body.” MD Code, Local Government, § 10-302, (b)(2) provides that “the commission may recommend an increase or decrease in the compensation and allowances for members of the county legislative body.”

The Anne Arundel County Charter provides that, “each member of the County Council shall be paid for the performance of his duties as provided in this Chapter the sum of Twenty-one Hundred Dollars (\$2,100.00) per annum...as full compensation for all services required by law or by this Charter to be performed by members of the County Council.”

-Anne Arundel County Charter, § 204 (1964)

Pursuant to § 3-9-101 of the Anne Arundel County Code, “there is a Salary Standard Commission composed of seven members appointed by the County Council. The Commission shall report to the County Council in accordance with Local Government Article, § 10-302, of the State Code.” Additionally, by Bill No. 107-73, the Council created a seven-member Salary Standard Commission for Anne Arundel County. Anne Arundel County Code, Article 2, § 201(a). This provides that the Commission shall report to the County Council in accordance with Article 25A, §5AA of the State Code.”

The County Council Salaries are defined in § 2-2-101 of the County Code as follows:

- (1) The Chair of the County Council is entitled to receive, while in that office, an annual salary of \$41,133 for the entire term beginning the first Monday in December, 2021.
- (2) The Vice Chair of the County Council is entitled to receive, while in that office, an annual salary of \$42,216 for the entire term beginning the first Monday in December, 2021.
- (3) Each other member of the County Council is entitled to receive, while in that office, an annual salary of \$46,003 for the entire term beginning the first Monday in December, 2021.

The County Council pursuant to Resolution 43-21 adopted on September 7, 2021, established the 2021 Salary Standard Commission to set compensation and allowances to be paid to members of the County Council. A copy of Resolution 43-21 is included in the Appendix to this Report as Exhibit A.

Summary of Recommendations:

The Commission believes that these recommendations for compensation to be paid to members of the County Council who will be elected in November 2022 are fair and reasonable to members of the Council and the public to whom they serve.

We strongly urge the County Council to implement these recommendations.