



Howard County  
Compensation Review Commission

3430 Court House Drive  
Ellicott City, MD 21043

November 21, 2017

The Honorable Jon Weinstein  
Howard County Council  
3430 Courthouse Drive  
Ellicott City, MD 21043

Dear Chairperson Weinstein:

I am pleased to convey to the Howard County Council the final report of the Compensation Review Commission, November 21, 2017, and resolutions recommending salaries for the Howard County Executive and Council Members to be elected in November 2018.

By Council Resolution 113-2017 (adopted on September 5, 2017) and consistent with the requirements of the Annotated Code of Maryland and the Howard County Charter, the following members were appointed to the Commission in addition to myself: Peter Hong, Deeba Jafri, Teresa Johnston, Jennifer Jones, Steven Sachs, and Mary Ann Scully.

Over the past several months, the Commission received presentations or written comments from the incumbents as well as from select County staff. We also reviewed data related to Howard County budget, history, demographics, and projections coupled with a review of compensation and history for the Howard County positions and relevant positions similar to ours in other jurisdictions.

Our meetings were, of course, open to the public and we identified one meeting specifically for public input.

After analysis of this data and substantial discussion, the Commission is recommending for the County Executive a base salary of \$226,000 for the first year of the term that begins December 2018. The Commission is recommending continuing the annual increase that is based on the CPI-U Index or 2.5%, whichever is greater.

The Commission is recommending for members of the County Council a salary of \$80,000 for the first year of the term that begins December 2018. The Commission is also recommending continuing the annual increase after the first year that is based on the CPI-U Index or 2.5%, whichever is greater. In addition, the Commission is recommending continuing the differential for the Chair of the Council of \$3,500 over the base salary. In addition to the Council member's salary, the Commission recommends continuation of the allocation of \$3,500 for each Council Member to procure technology. These funds are intended for items such as a tablet, laptop, or other technology. This amount will be for the full term of the position and unexpended funds should be re-appropriated each year. The Commission further recommends continuing the current policy of providing a \$150 per month stipend to Council Members for cell phone usage.

Commission members believe these salary recommendations will encourage those interested in public service to seek office. The recommendations also allow salaries to keep pace with inflation, to address the relatively high cost of living in Howard County, to appropriately compensate office holders for the intensive time demands on them, and to maintain a reasonable parity with the compensation of other elected officials elsewhere.

On behalf of the Commission members, I would like to thank the members of the County Council and the County Executive for giving us the opportunity to serve the community in this way. It has been a positive experience.

Sincerely,

Pravin Ponnuri, Chairperson



# Compensation Review Commission

3430 Court House Drive

Ellicott City, MD 21043

Report of the Compensation Review Commission November 9, 2017

## I. AUTHORITY OF COMMISSION

Section 10-302 and of the Local Government of the Annotated Code of Maryland authorizes Maryland charter counties to establish a commission to set compensation and allowances to be paid to members of each county's County Council, and Section 10-303 of the Local Government Article authorizes each county to set the compensation of the County Executive. In accordance with this State law authority, the Howard County Charter requires the County Council to establish a Compensation Review Commission every four years to review the compensation and allowances of the members of the County Council and to make recommendations to the Council on these matters for the ensuing four years. Section 302(d) of the Howard County Charter requires that the Compensation Review Commission also review and make recommendations on the County Executive's compensation following the same procedures used for the County Council.

Accordingly, this Compensation Review commission was established on September 5, 2017, by Council Resolution No. 113-2017, to make recommendations concerning the compensation and allowances for the members of the County Council and the County Executive to be elected in November 2018.

The following Commission members were appointed by Council Resolution No. 113-20173: Peter Hong, Deeba Jafri, Teresa Johnston, Jennifer Jones, Pravin Ponnuri, Steven Sachs, and Mary Ann Scully.

## II. STUDY

The Commission's role and responsibility was to recommend fair and equitable compensation for the positions of County Council member and County Executive. The Commission did not consider the performance and personality of the incumbents. The Commission researched pertinent information with regard to compensation issues and spent considerable time discussing

the material. In addition, the Commission sought input from all five current Council members and the County Executive and a number of County employees to better learn the full range of duties and responsibilities of those offices and the incumbents' view on the changes that have occurred and continue to occur over time in those duties and responsibilities.

The Commission considered a number of relevant pieces of information to evaluate current salaries and to form its recommendation for future salaries. These included the following: (1) responsibilities of the Council as a whole, (2) information received from the Council members and the County Executive, (3) benefits to which these elected officials are entitled, (4) compensation of council members and county executives from other jurisdictions, (5) salaries of certain positions in County government, (6) changes in salary and compensation looking backward over time, (6) the cost of living in Howard County, (7) the ratio between Council Member's salary and that of the Executive both here and in other jurisdictions; and (8) selected demographic information for the County and similar jurisdictions elsewhere.

In addition to the above, John Gwynn, Esq. from the County Office of Law, briefed the Commission on the legal issues involved in recommending compensation for the Council members and County Executive as well as the application of the Open Meetings and Public Information Acts.

## COUNCIL MEMBERS

In reviewing information provided by Council Members and Council staff, the Commission concluded that Council Members worked each week on Council business from 29 to 70 hours. The workload has increased and intensified with the increased reliance on and access to social media and technology by both the Council members and constituents.

Council members have extensive responsibilities including reviewing and approving the County budget each year. They spend a great deal of time doing constituent work and attending many meetings both in their districts and throughout the County. At times, contentious issues such as the Downtown Columbia TIF or the Adequate Public Facilities Ordinance can add substantially to the time demands.

Council members are citizen legislators and some members have other employment and all have other commitments for their time. Council members have scheduling and other challenges as they accommodate their Council duties and their private responsibilities. Some members participate in State, regional, and national entities as representatives of the Council. There was a general consensus among the Council members that they were compensated inappropriately when compared to other jurisdictions and the amount of time they spend on Council work.

## COUNTY EXECUTIVE

The Commission sought input from County Executive Allan Kittleman.

The County Executive is responsible for the day to day operation of County government. This is a full-time position. He is responsible for proposing the annual County budget, overseeing spending throughout the year, and for managing all departments of County government. The County Executive sets the direction for County government, makes policy in many areas and routinely makes major decisions that greatly affect the County and its residents. The County Executive's average work week exceeds 60 hours. He is responsible for an overall County Budget of more than \$1.4 billion.

The County Executive spends a great amount of time dealing with the public and tries to attend the County and community events to which he is invited. The County Executive tries to be accessible and visible to citizens and considers this an important part of his job.

The County Executive also participates in state and national organizations.

The Commission reviewed and discussed all of the background information provided by staff and the input provided by County Council Members and the County Executive. As previously stated, to determine the appropriate compensation for members of the County Council and the County Executive for the term beginning after the election in 2018, the Commission considered and analyzed, in detail, a number of issues.

The Commission agreed that it is essential that salaries for elected officials should be sufficient to attract a selection of high caliber and diverse candidates and to encourage participation in the process. In order to attract citizen representatives of all backgrounds and skills, the Commission thought that the salary must strike a difficult balance. It should not be so high as to make it the primary motivating factor for running for office, nor so low as to discourage people from running for office. The County Executive's salary should reflect the reality that it is a salary for full-time employment of an executive with extensive budgetary and managerial responsibility.

The Commission agreed that, because of the increased dependence on technology both as a boon and a burden (in that provides residents 24/7 access to their government and compresses the timeframe of many activities involving our elected officials), the Executive and Council Members face continually increasing responsibilities and expectations with regard to serving both citizens and the business community, which should be reflected in their salaries.

The Commission compared the current salaries of the Council Members and the County Executive with those in other jurisdictions both in the State and elsewhere. Salary increases, by

law, cannot be tied to any factor over which the Council or Executive has control; therefore, annual increases would be based on the All Urban Consumers Price Index for the Washington-Baltimore area published by the U.S. Department of Labor, all items, not seasonally adjusted (CPI-U Index). If the Bureau of Labor Statistics fails to publish the CPI-U Index computation for any year of the term or the CPI-U for a given year is less than 2.5%, the Council and Executive shall receive a 2.5% salary increase.

### III.RECOMMENDATIONS

The Commission concluded that historically Council members and the County Executive have been under-compensated to a degree that has not been corrected by the annual adjustments recommended by previous commissions. Thus, this Commission's recommendations begin with an unusual but justified reset.

The Commission recommends for County Council members an annual salary of \$80,000 for the first year of their term that begins December 2018. This represents an increase of \$15,440 from the final salary of the then departing incumbents.

The Commission also recommends an annual increase of the greater of 2.5% or the All Urban Consumers Price Index for the Washington-Baltimore area published by the U.S. Department of Labor, all items, not seasonally adjusted (CPI-U Index). In addition, the Chairperson of the Council should continue to have a differential of \$3,500 over the base salary. The \$3,500 differential is not subject to the CPI-U increase.

The Commission recommends for the County Executive an annual salary of \$226,000 for the first year of the term that begins December 2018. That represents an increase of \$42,440 from the salary of the then-departing incumbent.

Council members' salary increases in the last three years of their terms shall be determined as follows: each December in 2019, 2020, and 2021 their prior year's base salary shall be increased, but not decreased, by the change in the Consumer Price Index all urban consumers (CPI-U) Washington-Baltimore DC-MD-VA-WV average, all items, from the prior year, as published by the Department of Labor's Bureau of Labor Statistics on January 31. If the Bureau of Labor Statistics fails to publish the referenced CPI-U computation or the CPI-U is less than 2.5%, then the annual increase for the County Council members shall be 2.5%.

The County Executive's salary increase in the last three years of the term shall be determined as follows: each December in 2019, 2020, and 2021 and also increased, but not decreased, by the change in the Consumer Price Index all urban consumers (CPI-U) Washington-Baltimore DC-MD-VA-WV average), all items, from the prior year, as published by the Department of Labor's

Bureau of Labor Statistics on January 31. If the Bureau of Labor Statistics fails to publish the referenced CPI-U computation or the CPI-U is less than 2.5%, then the annual increase for the County Executive shall be 2.5% of base salary.

The Commission also recommends the continuation of the budget item in the County Council's budget that includes \$3,500 for each newly elected or re-elected Council Member to reimburse the costs of technology and electronic devices that are not provided by the County but helpful in performing their duties. This fund is for the full term of the Council Member and the unused portion should be re-appropriated from year to year until the next election.

The Commission recommends that the current County policy of providing a \$150 per month stipend to Council Members for cell phone usage remain in place and unchanged.

## RESOLUTION OF THE COMPENSATION REVIEW COMMISSION

In accordance with the provisions of Section 10-302 of the Local Government Article of the Annotated Code of Maryland, Section 202(d) of Article II of the Howard County Charter and Subtitle 1 of Title 5 of the Howard County Code, the Compensation Review Commission does adopts the following Resolution recommending the compensation and allowances to be provided to the members of the Howard County Council and the County Executive for the four-year term beginning in December 2018.

### County Council

Resolved: From and after the time the members of the Howard County Council qualify for office following the general election of November 2018, the member of the Howard County Council shall receive each year the employee benefits available to County employees.

Resolved: From and after the time the members of the Howard County Council qualify for office following the general election of November 2018, the members of the Howard County Council shall be paid an annual salary for the four-year term beginning 2018 as follows:

- Beginning on the date of installation in December 2018, the base salary shall be \$80,000 per year.
- The base salary shall increase (but not decreased) beginning December of each year after 2018. Base salary is determined in each year by increasing the prior base salary by the increase in the Consumer Price Index all urban consumers (CPI-U Washington/Baltimore DC-MD-VA-WV average), all items, as published by the Department of Labor's Bureau of Labor Statistics from the prior year on January 31. If the Bureau of Labor Statistics fails to publish the referenced CPI-U computation or the CPI-U is less than 2.5%, then the annual increase for the members of the Howard County Council shall be 2.5%.
- The Chairperson of the Howard County Council shall receive the sum of \$3,500 over the base salary which is not subject to the escalator set forth above.
- Council members shall also be allocated \$3,500 on election or re-election for their term of office in the Council's budget for the purchase of technology or electronic devices that are not provided by the County but assist in the performance and obligations of their duties.
- Council members shall also receive a monthly stipend of \$150 toward a cell phone plan to cover the costs associated with a service plan for a personal communications device.

### County Executive



Resolved: From and after the time the County Executive qualifies for office following the general election of November 2018, the County Executive shall receive each year the employee benefits available to County employees.

Resolved: From and after the time the County Executive qualifies for office following the general election of November 2018, the County Executive shall be paid an annual salary for the four-year term beginning 2018 as follows:

- Beginning on the date of installation in December 2018, the base salary shall be \$226,000 per year.
- The base salary shall increase (but not decreased) beginning December of each year after 2018. Base salary is determined in each year by increasing the prior base salary by the increase in the Consumer Price Index all urban consumers (CPI-U Washington/Baltimore DC-MD-VA-WV average), all items, as published by the Department of Labor’s Bureau of Labor Statistics from the prior year on January 31. If the Bureau of Labor Statistics fails to publish the referenced CPI-U computation or the CPI-U is less than 2.5%, then the annual increase for the members of the Howard County Council shall be 2.5%.
- The County Executive shall also receive a monthly stipend of \$150 toward a cell phone plan to cover the costs associated with a service plan for a personal communications device.

Respectfully submitted on November 21, 2017,

Peter Hong

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Deeba Jafri

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Teresa Johnston

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Jennifer Jones

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Pravin Ponnuri

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Steven Sachs

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Mary Ann Scully

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