

# Prince George's County Council

## Agenda Item Summary

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**Meeting Date:** 7/8/2008  
**Reference No.:** CR-056-2008  
**Draft No.:** 1  
**Proposer(s):** County Executive  
**Sponsor(s):** Dean  
**Item Title:** A Resolution to amend Salary Schedule G to provide a cost of living increase of two and one-half percent (2.5%) effective the first full pay period in July 2008; modified health benefit premium costs; and other modified benefits for General Schedule employees

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**Drafter:** Terry Bowen, Office of Human Resources Management  
**Resource Personnel:** Donald E. Bridgeman, Office of Human Resources Management

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### LEGISLATIVE HISTORY:

<b>Date Presented:</b>		<b>Executive Action:</b>
<b>Committee Referral:</b>	6/3/2008 - PSFM	<b>Effective Date:</b>
<b>Committee Action:</b>	6/9/2008 - FAV	
<b>Date Introduced:</b>	6/3/2008	
<b>Public Hearing:</b>		
<b>Council Action:</b>		
<b>Council Votes:</b>		
<b>Pass/Fail:</b>		
<b>Remarks:</b>	WITHDRAWN BY COUNTY EXECUTIVE ON 7/14/2008	

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### AFFECTED CODE SECTIONS:

16-125

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### COMMITTEE REPORTS:

#### **PUBLIC SAFETY & FISCAL MANAGEMENT**

**Date 6/9/2008**

Committee Vote: Favorable, 5-0, (In favor: Councilmembers Knotts, Campos, Dean, Exum and Turner.)

This resolution will amend the Salary Plan for Salary Schedule G, General Schedule Employees, by providing for a cost of living adjustment (COLA) of 2.5% for FY2009, a shift of the employer/employee contribution percentages by one point for the County's Point of Service (POS) health insurance plan, the Prepaid Group Health Plan or a Health Maintenance Organization (HMO); the Deductible Prescription Drug and Vision Care Program and other modified benefits for General Schedule employees.

#### Summary of Wages and Benefits:

1. Cost of Living Adjustment (COL) (page 6)

Effective July 6, 2008, employees covered by Salary Schedule G will receive a 2.5% increase in their base hourly rate of pay.

2. Compensatory Leave (page 13)

An employee covered by the Fair Labor Standards Act (FLSA) can accrue up to 240 hours of FLSA compensatory leave. Any additional overtime work hours must be compensated at the appropriate overtime rate.

3. Funding (page 16)

Effective with the pay period beginning on July 6, 2008, the employee contribution rate to the Supplemental Pension Plan will be increased from 3.08% to 3.11% of base pay.

4. Group Health Insurance (page 17-18)

a. Point of Service (POS) Insurance Plan – the County will contribute 74% and the participating employees will contribute the remaining 26% for CY2008. In CY2009, there will be another 1% shift in the employer/employee contribution.

b. Prepaid Group Health Plan or Health Maintenance Organization (HMO) – the County will contribute 79% and the participating employee will contribute the remaining 21% for CY08. In CY09 there will be another 1% shift in the employer/employee contribution.

c. Employees who provide proof of other medical coverage may choose to receive a credit instead of enrolling in a medical plan with the County.

d. Deductible Prescription Drug and Vision Care Program – the County will contribute 89% and the participating employee will contribute the remaining 11% for CY08. In CY09 there will be another 1% shift in the employer/employee contribution.

The changes in premium contribution percentages will not become effective unless and until collective bargaining agreements and/or necessary resolutions are approved by the County Council and effect all County employees. Change will not be retroactive.

5. Social Security and Medicare (page 19)

The Social Security contribution reflects the current level of wages that are subject to the Social Security Fund (FICA-OASOI) contribution of 6.2% of the first \$102,000 and 1.45% for FICA-HI on all wages paid as of January 1, 2008.

The Office of Law has reviewed this resolution and finds it to be in proper legislative form with no legal impediments to its adoption.

The fiscal impact on the County will be negative in the amount of approximately \$2.7 in additional expenditures. As a result of the proposed cost shift in health insurance premiums the County will save approximately \$85,000. The total impact after the cost shift in health insurance premiums will be approximately \$2.6.

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**BACKGROUND INFORMATION/FISCAL IMPACT:**

(Includes reason for proposal, as well as any unique statutory requirements)

This Resolution will amend Salary Schedule G to reflect a cost of living increase of two and one-half percent (2.5%) effective the first full pay period of July 2008. It also provides for other modified benefits for General Schedule employees. The Office of Management and Budget will provide the fiscal impact report.

The proposed salary plan amendments were submitted to the County Council by the County Executive on May 28, 2008. Pursuant to Section 903 of the Charter, if the Council fails to take final action on the proposed salary plan before July 27, 2008, the salary plan shall stand approved.

**THIS RESOLUTION WAS NOT ADOPTED.**

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**CODE INDEX TOPICS:**

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**INCLUSION FILES:**

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