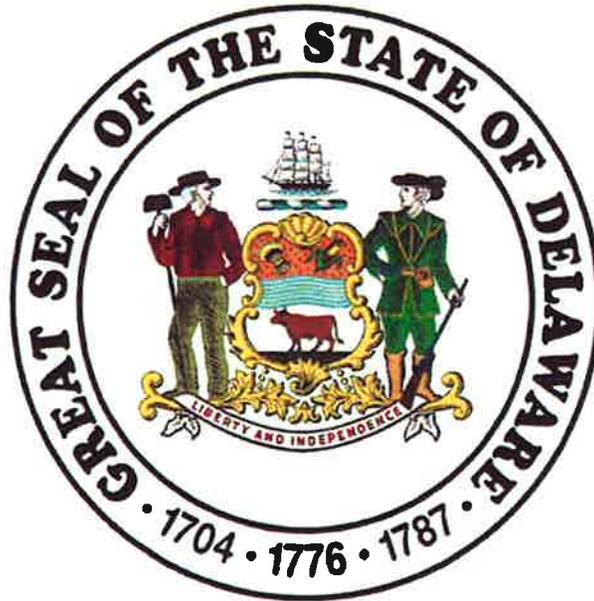


State of Delaware *Office of the Governor*



Compensation Commission

December 2012

Agenda



- **General Considerations**
- **Gubernatorial Compensation**
- **Cabinet Compensation**
- **Conclusions**

General Considerations



- **Attracting Talent**
- **Fiscal Realities**
- **Total Compensation**

General Considerations



Pension Compensation

	Secretary of Education	Superior Court Judge
Vesting	10 years at age 65, but as at will employee	12 years at age 62
Salary	\$160,145	\$180,233
Annual pension contribution	(\$7,707)	(\$6,628)
Expected annual pension benefit after 12 years	\$35,552 or ~ 22%	\$90,116 or ~ 50%
Expected annual pension benefit after 24 years	\$71,104 or ~ 44%	\$135,173 or ~ 75%

Gubernatorial Compensation



Governor

\$171,000

- Comparable to surrounding states
- Comparable to federal delegation
- Does not need to be 10% greater than the cabinet
- No request sought



Cabinet Compensation

Tier 1	Secretary of Education Chief Information Officer, DTI	\$160,145
Tier 2	Secretary of Finance Secretary of Health and Social Services Commissioner of Correction Director, Office of Management and Budget	\$147,370
Tier 3	Secretary of Transportation Secretary of Services for Children, Youth and their Families Secretary of Safety and Homeland Security Director, DEDO Secretary of Natural Resources and Environmental Control Secretary of State Adjutant General	\$121,821 - \$137,995
Tier 4	Director, Delaware State Housing Authority Secretary of Agriculture Secretary of Labor	\$119,040

Cabinet Compensation



Secretary of Education

\$160,145

Implied Salary – 2005 Report

\$180,627

12.8%

District	Compensation
Colonial School District	186,400.00
Christina School District	180,000.00
Brandywine School District	175,481.00

Not Proposed

Cabinet Compensation



Secretary of Education

\$160,145

Implied Salary - 2005 Report

\$180,627
12.8%

Governor

\$171,000

Implied Salary - 2005 Report

\$198,690
16.2%

Not Proposed

Cabinet Compensation



Secretary of Education

\$160,145

District	Compensation	
Colonial School District	186,400.00	
Christina School District	180,000.00	<u>Avg. of top 3</u>
Brandywine School District	175,481.00	180,627.00
Red Clay School District	171,560.00	
Capital School District	168,341.80	
Indian River School District	163,986.16	
Caesar Rodney School District	159,884.00	<u>Avg. of top 8</u>
Seaford School District	152,271.00	169,740.50
Appoquinimink School District	150,900.00	
Cape Henlopen School District	150,469.71	
Smyrna School District	148,894.52	
Milford School District	146,213.00	
Lake Forest School District	145,676.64	
Laurel School District	138,000.00	
Woodbridge School District	135,000.00	<u>Average</u>
Delmar School District	128,945.00	156,376.43

Cabinet Compensation



Tier 1

Secretary of Education
Chief Information Officer, DTI

\$160,145

Tier 2

Secretary of Finance
Secretary of Health and Social Services
Commissioner of Correction
Director, Office of Management and Budget

\$147,370

Tier 3

Secretary of Transportation
Secretary of Services for Children, Youth and their Families
Secretary of Safety and Homeland Security
Director, DEDO
Secretary of Natural Resources and Environmental Control
Secretary of State
Adjutant General

\$121,821 - \$137,995

Tier 4

Director, Delaware State Housing Authority
Secretary of Agriculture
Secretary of Labor

\$119,040



Secretary of Health and Social Services

\$147,370

- 12 Divisions
- 4,310 employees
- \$1.1 billion budget, GF
- \$2+ billion budget, all funds
- Birth to Death Services



Secretary of Health and Social Services

\$147,370

- Health Care to 1 in 4 Delawareans
- 130 patients at DPC
- 289 beds at 3 long-term care facilities
- 54 beds at the Stockley Center
- Health Care Reform



Secretary of Transportation

\$137,995

- 1,800 employees
- \$350 million budget, TTF
- ~\$700 million budget, all funds
- Delaware Transit Corporation
- Projects that re-shape Delaware, e.g.,
U.S. 301, I-95 & U.S. 1



Secretary of State

\$127,590

- Administers almost \$1 billion in taxes
- Corporate Governance and Banking
- Doubled # of Employees since 2005
- Delaware Veterans Home
- Professional Regulation



Cabinet Compensation

Secretary of Labor	\$119,040
Secretary of Agriculture	\$119,040
Director, DSHA	\$119,040



Cabinet Compensation

Tier 1

\$160,145

Secretary of Education
Chief Information Officer, DTI
Secretary of Health and Social Services

Tier 2

\$147,370

Secretary of Finance
Commissioner of Correction
Director, Office of Management and Budget
Secretary of Transportation
Secretary of State

Tier 3

\$121,821 - \$137,995

Secretary of Services for Children, Youth and their Families
Secretary of Safety and Homeland Security
Director, DEDO
Secretary of Natural Resources and Environmental Control
Adjutant General
Director, Delaware State Housing Authority
Secretary of Agriculture
Secretary of Labor

Conclusions



- Not proposing across-the-board increases for the executive branch
- Consider delaying or phasing in any increases over multiple years due to fiscal realities

Conclusion



Thank you!

