

State workers rake in big bucks in Maryland, Virginia

July 31, 2012 Ben Giles

More than 11,500 state employees in Maryland and Virginia earn more than \$100,000 annually in base salaries, led by higher education and medical professionals, but also including state archivists and computer specialists.

Virginia pays 6,194 workers more than \$100,000 a year, while Maryland pays 5,501 employees that amount, bringing the total to 11,695.

A total of 1,165 state workers earn at least \$200,000 -- 500 Virginia state employees and 665 in Maryland, placing them among the hundreds of state workers who earn more than even the governors in each state.

(View the highest-paid state employees in Maryland and Virginia, listed by salary)

Maryland Gov. Martin O'Malley's \$150,000 salary doesn't even crack the top 1,500 -- he ranks 1,719th as of January.

Virginia Gov. Bob McDonnell ranks 892nd with a \$175,000 salary for fiscal 2013.

E. Albert Reece, vice president for medical affairs at the University of Maryland School of Medicine, tops the list of Maryland employees at \$799,547 a year, while George Mason University men's basketball coach Paul Hewitt's base salary of \$659,750 from the state earns him the top spot among Virginia employees.

The first non-higher education employee in the Maryland rankings -- ranking 273 -- is Paul Wiedefeld, executive director of the Maryland Aviation Administration, with an annual salary of \$262,307.

(View the best-paid state workers outside higher education in Maryland and Virginia)

The highest-paid Virginia employee not working for a state college or university is Alex Nyerges, who earns a base salary of \$279,368 as director of the Virginia Museum of Fine Arts in Richmond. He ranks 113th, with more than half of his pay coming from non-state sources.

Such high salaries could draw the ire of taxpayers, who serve essentially as the shareholders of a company, said John Challenger, chief executive at Chicago outplacement firm Challenger, Gray & Christmas Inc.

"Shareholders go to annual meetings, which are like elections, and sometimes demand that top executives must go," Challenger said.

(View salary lists organized by employee name in Maryland and Virginia)

Maryland lawmakers this year passed income tax increases on all residents earning more than \$100,000 annually and shrank tax exemptions. Meanwhile, state employees will receive a 2 percent cost-of-living raise effective Jan. 1, according to legislative staff.

Virginia employees are due a 2 percent pay raise in fiscal 2014, and may receive a 3 percent bonus in 2013 if the state has enough available funds, according to the legislature.

While experts say the high salaries of some state workers are justified, others are benefiting from cushy pay and benefits that have been missing in the private sector during the recession.

In state government, "your pay doesn't reflect your performance," said Tad DeHaven, budget analyst at the Cato Institute. In the private sector, "you have people taking pay cuts, people losing benefits, but with state employees it's a different world."

State employees receive pensions when they retire, and both Maryland and Virginia have been reluctant to move toward using less costly 401(k) retirement plans -- commonly found in the private sector -- while racking up billions of dollars in unfunded pension liabilities.

Many of the higher-education workers at the top of the list are in the types of positions that merit such high pay, according to Gary Burtless, senior fellow of economic studies at the Brookings Institution -- many also are doctors in the states' health care systems.

In some cases, much of the schools' medical professionals' salaries are paid for by non-state sources such as private practice funding, according to state spokesmen.

University of Virginia professor Larry Sabato, quoted frequently as a political expert, earns \$348,200, though most of his base salary comes from non-state sources.

But throughout each list are employees with less high-profile jobs receiving the same big pay as doctors, professors and high-ranking police officers, as well as coaches and athletic officials.

A state archivist in Maryland is paid \$123,051 annually, and an assistant IT director with the state's Department of Health and Mental Hygiene takes home a \$103,328 salary.

An environmental manager with the Virginia Department of Transportation has a \$100,355 base salary.

And those are just of few of the lower-earning employees in each state, according to Tom Firey, senior fellow at the Maryland Public Policy Institute.

"These are the people we're supposed to be upset about," Firey said. "And that's before the gold-plated benefits that these folks get."