

September 2008

## Three City Employee Salary Issues

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*Department Head salary raises tied to second year of performance evaluations*

### Mayor Approves Salary Increases

Mayor Menino has approved salary increases for 46 cabinet and department heads and Mayor's Office staff ranging from 1.0% to 4.5% based solely on performance evaluations. The raises, announced on August 20, 2008, are retroactive to October 2007. The salaries for these positions were last increased in October 2006. The total cost of the increases annualized is \$148,502, for an average increase of 3%. Most of the salary increases were in the 2.5% to 4.0% range with only three individuals receiving 4.5% and six individuals receiving less than 2%. All raises fell within the salary ranges set by ordinance.

This is the second year that the Mayor has set raises based on a performance evaluation system. Last year's process got off to a late start so this is the first full year in which department heads were better aware of expectations. This time the evaluation system was more structured with a standard criteria utilized. Even so, the actual application and approach during interviews were uneven which indicates that continued improvement in the evaluation system is needed for next year. The evaluations were completed by January but the raises were not announced until August, a delay that should be shortened.

### City Council

The City Council has amended the section of the city ordinance regulating the compensation for its central staff and the staff allocation for each Councilor's office. On August 6, 2008, the Council increased the salary ranges for 13 central staff positions by 6%. At the same time, the personal staff allocation for each Councilor was increased from \$175,000 to \$187,500 and the President's staff allocation was increased from \$212,000 to \$225,000. The total increase for the personal staff allocations is \$163,000. Each Councilor's own salary is \$87,500 and the Mayor's salary is \$175,000.

### Compensation Advisory Board

The Compensation Advisory Board (CAB) is established by ordinance to be an objective body, appointed by the Mayor, to review and recommend change in the salaries of the Mayor and City Councilors and the salary ranges for those department heads whose salaries are set by ordinance. The CAB is required to submit a report in March of each even numbered year with its recommendations. The Mayor and Council can then determine how to act or not. The CAB has yet to issue its report this year and should do so promptly to comply with its legal responsibilities.