

**MEMORANDUM**

**FEBRUARY 14, 2013**

**TO:** ECONOMIC DEVELOPMENT AND INDUSTRIAL CORPORATION  
AND PETER MEADE, DIRECTOR

**FROM:** JAMES M. TIERNEY, CHIEF OF STAFF AND SPECIAL COUNSEL TO THE  
DIRECTOR  
ROBERT P. LUISI, DIRECTOR FOR ADMINISTRATION & FINANCE

**SUBJECT:** WAGE ADJUSTMENTS FOR NON-UNION PERSONNEL

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**SUMMARY:** Request approval for a wage increase for Economic Development and Industrial Corporation non-union personnel other than division heads.

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**BACKGROUND**

As part of austerity measures implemented along with involuntary staff reductions and other expense reductions taken in 2009, all Economic Development and Industrial Corporation (EDIC) non-union personnel earning greater than \$50,000 annually endured a 3% reduction in pay. Those employees earning over \$100,000 annually endured a 5% reduction in pay. These reductions were in place until December of 2011 at which time staff earning less than \$50,000 per year received a 2% increase in pay and all others had their original pay levels reinstated. The last time EDIC staff earning \$50,000 or greater received any salary increase was in January of 2008. It should be noted that annual salary adjustments are included in the contract with all EDIC union personnel.

**PROPOSAL**

As explained during the adoption of the FY2013 EDIC budget, thanks to the drastic and unfortunate actions taken in 2009 and sustained thereafter, finances for EDIC have stabilized. Accordingly, following similar action taken recently by the City of Boston for non-union personnel other than department heads, staff recommends that the EDIC Board adopt a 3% increase in salary for all non-union personnel other than division heads effective January 1, 2013. Similar to the City of Boston, a separate process will be undertaken promptly to determine any adjustments appropriate for EDIC division heads.

## **BUDGET IMPACT**

A 3% increase in salaries for all non-union EDIC personnel effective January 1, 2013 adds approximately \$120,000 to the expense budget for FY2013. On an annualized basis, the added expense is \$240,000. Staff is confident that EDIC finances are strong enough to absorb these increases with no adverse effects both for this fiscal year and in the future.

An appropriate vote follows:

**VOTED:** The Board approves a salary increase of 3% for all non-union EDIC personnel other than division heads effective January 1, 2013.