

TOWN OF BERLIN



PERSONNEL COMMITTEE

November 6, 2019

Memo to: Berlin Town Departments and Managers
From: Personnel Committee
RE: Statement of Compensation Review for FY2021 Budget Process

One of the tasks the Personnel Committee is responsible for is to make compensation recommendations for the FY21 Budget. In doing so, the Personnel Committee followed the process outlined below:

In establishing a compensation policy, we were guided by the following principles:

- Maintenance of staff and service levels;
- Consideration of the provision of step raises and cost of living adjustments in a way that is consistent with economic conditions and the Town's ability to meet expenditures on a sustainable basis.
- Assessment / Market analysis of positions to maintain position compensation internal equity and appropriate market rates
- Effective financial management of revenues, capital and operating costs
- Consideration of salary/wage associated expenditures and any related cost to the residents of Berlin.
- The CPI for Boston/Cambridge/Newton for the 12 months ending September 2019 was 1.1%
- The CPI for the Northeast Region for the 12 months ending September 2019 was 1.4%
- The CPI for Northeast Cities population under 2.5 million (Worcester) for the 12 months ending September 2019 was 1.4%
- The average COLA for towns in the Massachusetts Municipal Association is approximately 2%

The Personnel Committee recommended to and the Select Board approved the following salary increases for FY21:

- A **1.5% cost of living adjustment (COLA)** for all paid elected officials and other employees not otherwise covered by contract.
- **Any additional adjustments or Step increases over the 1.5% COLA** for hourly and salary employees (whether or not subject to contract) will be considered during the review of performance evaluations and the Classification/Compensation study process which has been put out to vendors for proposals (through the State Community Compact grant). This may also be by request of department head or appointing authority and submitted to the Personnel Committee for review and consideration. This information will be sent to managers during the budget process.

- **The market adjustments recommended by Personnel and approved by the Select Board in 2018 (for the 2020 budget) that did not get approved by Finance Committee, should be re-proposed for this year's budget in addition to the 1.5% COLA.**

Please include the 1.5% COLA increase in your budget for your employees for FY21.

If you have any questions or concerns, please do not hesitate to contact the Committee.