

February 27, 2025

Via Electronic Mail

Stephanie Martins
President
Everett City Council
484 Broadway
Everett, MA 02149
Stephanie.Martins@ci.everett.ma.us

Re: Improper Longevity Payments – Mayor Carlo DeMaria

Dear Council President Martins:

The Office of the Inspector General (OIG) received a complaint in February 2022 regarding \$220,000 in longevity payments that the City of Everett (city) made to its mayor, Carlo DeMaria, between September 2016 and April 2021.

In its ensuing investigation, the OIG found that:

1. Mayor DeMaria and his administration misapplied the mayoral longevity ordinance, resulting in the city overpaying \$180,000 to Mayor DeMaria;
2. Mayor DeMaria and his administration concealed the mayor's longevity payments from the Everett City Council (council) and the public;
3. The city improperly paid Mayor DeMaria \$30,000 in retroactive longevity payments before the mayoral longevity ordinance was enacted;
4. The city improperly advanced an unauthorized \$1,700 payment to Mayor DeMaria under the longevity ordinance for non-union department heads; and
5. Mayor DeMaria may have violated state ethics laws by participating in the drafting and approval of the city ordinance that provided him with longevity payments.

The city has a fiduciary obligation to effectively manage its budget to pay its employees – including its mayor – accurately and transparently. The OIG details several recommendations herein to further that fiduciary responsibility.

Background¹

1. The Mayoral Longevity Ordinance

On or about July 2016, the then-president of the city council sponsored an ordinance that would provide Everett's mayor with a longevity bonus. According to multiple witness interviews, Mayor DeMaria proposed the ordinance because he discovered that other city employees were earning more money than him.² The then-city council president and the then-city clerk worked to draft the ordinance, witnesses said.

On July 18, 2016, the then-city clerk sent an email containing a draft of the proposed ordinance to Mayor DeMaria's former chief of staff, the city's chief financial officer (CFO), and the city solicitor. The city clerk copied Mayor DeMaria on the email. The proposed ordinance read:

Any individual serving in the office of mayor shall receive a longevity payment of \$10,000 (TEN THOUSAND DOLLARS) **after** [emphasis added] each completed full term as mayor, as defined in Article 3 Section 1(b) of the City Charter.

Any individual serving as Mayor at the time of passage of this ordinance shall receive a one-time payment of \$10,000 (TEN THOUSAND DOLLARS) for each previously completed term as Mayor, as defined in Section 25 of the previous Charter. This ordinance shall take effect upon passage.

In responding to the email, Mayor DeMaria instructed his chief of staff to prepare the ordinance for the next council meeting. Subsequently, Mayor DeMaria received at least two additional emails from senior staff members with various versions of the longevity ordinance.³

Section 1-4 of the Revised Ordinances of the City of Everett requires two votes from the city council, at separate meetings, to enact a proposed ordinance.⁴ The first vote is to "enroll" the ordinance, and the second vote is to "ordain" the ordinance.⁵

The city council first considered the proposed ordinance during its July 25, 2016 meeting. During the meeting, the sponsor stated that the ordinance was worded incorrectly, but did not say

¹ The OIG interviewed Mayor DeMaria on February 25, 2025. The OIG has been careful to footnote any of the mayor's statements that contradict other information obtained during the course of the OIG's investigation. With regard to many topics addressed in this letter, Mayor DeMaria had no specific recollection.

² Mayor DeMaria stated the then-city council president proposed the ordinance.

³ Mayor DeMaria told OIG investigators that he had no specific recollection of proposing, drafting, editing, reviewing, or approving the ordinance.

⁴ Revised Ordinances of the City of Everett, § 1-4(b), available at <https://ecode360.com/EV4435>.

⁵ *Id.*

what was wrong. Another councilor stated at the meeting that he interpreted the ordinance to mean that the mayor's base salary would stay the same but that the mayor would receive a longevity payment at the end of a term. In response, the then-city clerk stated the original language of the ordinance contained that clarification and that he needed to record it to make clear that the ordinance would not affect the mayor's salary. The city council voted unanimously to refer the ordinance to the city clerk for revision.

In an August 16, 2016 email, Mayor DeMaria's assistant asked another staff member to book meetings so that Mayor DeMaria could discuss the proposed longevity ordinance with several city councilors. Councilors with whom the OIG spoke could not specifically recall meeting with the mayor to discuss the ordinance. However, the August 16 email notes that the mayor had meetings scheduled with at least four councilors. In a subsequent email, Mayor DeMaria's assistant noted that a fifth city councilor said that he could not meet with the mayor but that he would support the proposal.⁶

The council next considered the ordinance during its September 26, 2016 meeting. The proposed ordinance now read:

Any individual serving in the office of mayor shall receive a longevity payment of \$10,000 (TEN THOUSAND DOLLARS) **for** [emphasis added] each completed full term as mayor, as defined in Article 3 Section 1(b) of the City Charter.

Any individual serving as Mayor at the time of passage of the ordinance shall receive a one-time payment of \$10,000 (TEN THOUSAND DOLLARS) for each previously completed term as Mayor, as defined in Section 25 of the previous Charter.

The proposed ordinance was nearly identical to the one considered during the July 2016 council meeting, with the exception that the phrase "after each completed full term as mayor" had been changed to "for each completed full term as mayor." During the meeting, councilors stated that the ordinance would put the mayor's salary on par with the mayors of other communities. Councilors did not discuss or ask questions about how the city would calculate the longevity payment or the frequency of payments. Nor did they discuss the word change from "after" to "for." The council voted 10-1 to enroll the ordinance. The OIG has not been able to determine who changed the wording of the ordinance from "after" to "for."

On October 11, 2016, the council voted 8-1, without discussion, to ordain the ordinance.⁷ With that vote, the mayoral longevity ordinance became law.

⁶ Mayor DeMaria had no specific recollection of meeting with city councilors to discuss the longevity ordinance, although he acknowledged the possibility of meeting with councilors.

⁷ Two members of the 11-member council were not present at the October 11, 2016 meeting.

On March 14, 2022, the council voted to amend the mayoral longevity ordinance, changing the language to mirror the city's longevity ordinance for non-union department heads.

2. Mayor DeMaria's Payments Pursuant to the City's Longevity Ordinance for Non-Union Department Heads

Prior to the passage of Mayor DeMaria's 2016 longevity ordinance, the city claimed that the mayor was eligible for an annual longevity payment of \$600 between 2009 and 2013 and an annual longevity payment of \$1,700 between 2014 and 2016, consistent with the city's longevity ordinance for non-union department heads.^{8, 9}

On August 17, 2016, amid the city council's deliberations of the mayor's longevity ordinance, the city's CFO stated in an email to the city's budget director, "The mayor would like you to calculate the longevity that he should have received vs what he actually received. If you would put a rush on it for him."¹⁰ The city's budget director calculated that the city owed Mayor DeMaria a total of \$5,900 in longevity payments from 2009, 2010, 2011, 2013, 2015, and 2016.

On August 17, 2016, the budget director said in an email to Mayor DeMaria that she approved his add/change form to pay his longevity of \$7,600. This included the \$5,900 in longevity payments owed for 2009 to 2016, plus an advance longevity payment of \$1,700 due in January 2017 pursuant to Section 7-166 of the Revised Ordinances. Mayor DeMaria responded, "Can you make sure I get this check today. This is great. I am so glad they never gave it to me these last years, it would of [sic] been spent already! Have them put it on my chair, I will be in by noon."¹¹

On August 17, 2016, the city issued a check to Mayor DeMaria in the amount of \$5,045.75 (\$7,600 less withholdings). The check was subsequently negotiated.

3. Mayor DeMaria's Payments Pursuant to the Mayoral Longevity Ordinance

Upon passage, the proposed longevity ordinance entitled Mayor DeMaria to a one-time payment of \$10,000 for each previously completed term as mayor. In 2016, Mayor DeMaria had served three terms. Thus, the proposed ordinance entitled him to a \$30,000 retroactive payment.

On September 28, 2016, two days after the council enrolled the ordinance and nearly two weeks prior to the council ordaining the ordinance, Mayor DeMaria received a check in the amount

⁸ Revised Ordinances of the City of Everett, § 7-166(b), available at <https://ecode360.com/EV4435>.

⁹ Section 7-166 has since been amended to offer a longevity payment of \$800, rather than \$600, to a department head after 10 years of service.

¹⁰ Mayor DeMaria denied directing the CFO to calculate the longevity owed to him.

¹¹ Mayor DeMaria told OIG investigators that he was unaware until recently that he received an advance of this 2017 department head longevity.

of \$21,818.25 (\$30,000 less withholdings) with a memo line that read “cash adv. / longv. ck.” Mayor DeMaria deposited that check into his personal checking account on October 6, 2016.¹²

After the council voted to ordain the ordinance, the city issued a \$30,000 payment to Mayor DeMaria in January 2017. The city subsequently issued a \$40,000 payment in January 2018, payments of \$40,000 in January 2019 and January 2020, and payments of \$20,000 in January 2021 and April 2021.¹³

Payment Date (Check Date)	Gross Amount	Net Amount
9/28/2016	\$30,000.00	\$21,818.25
1/4/2017	\$30,000.00	\$21,818.25
1/2/2018	\$40,000.00	\$28,830.64
1/3/2019	\$40,000.00	\$29,392.60
1/21/2020	\$40,000.00	\$29,392.60
1/14/2021	\$20,000.00	\$15,247.66
4/22/2021	\$20,000.00	\$15,247.66
Total	\$220,000.00	

Figure 1. Payments the city made to Mayor DeMaria under the 2016 longevity ordinance.

As reflected in Figure 1 above, between September 2016 and April 2021, the city paid \$220,000 in longevity payments to Mayor DeMaria based on the mayor’s erroneous interpretation of the longevity ordinance.

Upon learning that Mayor DeMaria was annually receiving longevity payments of \$40,000, in March 2022 the city council took action to change the ordinance and lowered Mayor DeMaria’s longevity payments to \$1,700 per year.

Findings

1. Mayor DeMaria and his administration misapplied the mayoral longevity ordinance, resulting in the city overpaying \$180,000 to Mayor DeMaria.

Between September 2016 and April 2021, the city paid Mayor DeMaria \$220,000 pursuant to the mayoral longevity ordinance. The OIG asked the city to provide a written narrative explaining how it calculated Mayor DeMaria’s longevity payments. In response, the city stated that because the ordinance provided a \$10,000 payment “for each completed full term as mayor,” the city had based Mayor DeMaria’s annual payment on the number of terms he had served. For example, the city explained, in 2021 Mayor DeMaria had served four terms as mayor; therefore,

¹² Mayor DeMaria did not know why or how he received an advance payment on his retroactive longevity; however, he stated that it was not an issue because he was sure that the ordinance was enrolled and soon to be ordained.

¹³ Mayor DeMaria stated his 2021 payments were split for either tax or budget purposes.

he was entitled to a payment of \$40,000. Furthermore, the city stated that it pays longevity annually to all employees and argued that if the council had intended Mayor DeMaria's longevity payment to be paid differently, the ordinance should have specifically said so.

None of the councilors interviewed by the OIG were aware of the change in language from "after each completed full term" in the ordinance first proposed in July 2016 to "for each completed full term" in the ordinance that the council approved in October 2016. Councilors interviewed by the OIG stated that the change did not affect the intention underlying the ordinance.

Statements made to the OIG by councilors who voted on the 2016 longevity ordinance and statements made by some councilors at subsequent public meetings demonstrate that eight out of the eleven sitting council members in 2016 considered that the ordinance's intent was to provide Mayor DeMaria with a payment of \$10,000 at the conclusion of each term.¹⁴ The ninth sitting member from 2016 stated the ordinance's intent was to provide Mayor DeMaria with \$10,000 per year to be paid at the conclusion of his term. The OIG was unable to interview the remaining two members, nor did they speak about their intent at subsequent meetings. (*See Appendix A: Summary of City Councilors' Statements*).

The mayor's administration stands alone in asserting to the OIG that the ordinance entitled Mayor DeMaria to yearly longevity payments of \$30,000 or \$40,000. The administration claims it received a legal opinion from outside counsel that agreed with its interpretation of the ordinance; however, the administration refused to provide a copy of this legal opinion to the OIG, citing its attorney-client privilege.

The administration argues that the phrase "shall receive a longevity payment of \$10,000 ... for each completed full term as mayor" in the ordinance's first paragraph means that the mayor is entitled to an annual longevity calculated based on the number of terms he has served. However, that interpretation is inconsistent with the ordinance's second paragraph, which uses different words to explicitly describe payments based on the number of terms served, to wit, "Any individual serving as Mayor at the time of passage of the ordinance shall receive a one-time payment of \$10,000 ... **for each previously completed term as Mayor** ..." [emphasis added]. The OIG believes that if the council's intent in the first paragraph was to calculate an annual longevity payment based on the number of terms previously served (as opposed to a \$10,000 payment at the end of each individual term), the council would have mirrored paragraph two's explicit wording in paragraph one.

Finally, the mayor's administration claimed that all city employees who are eligible for longevity receive their payment on the anniversary of their date of hire. The administration claimed that the ordinance would have explicitly stated if the council had intended for the mayor's longevity to be paid differently. However, the separate city ordinance governing non-union employees and department heads explicitly states that longevity payments "shall be made on the

¹⁴ Mayor DeMaria maintains that the change from "after each completed full term" to "for each completed full term" did not alter the fact that he should receive payments of \$30,000 or \$40,000 per year.

anniversary date of employment.”¹⁵ In contrast, the mayoral longevity ordinance does not have similar language. Nor does it state that the payment will be made annually. This distinction indicates that the city council did, in fact, intend to pay the mayor’s longevity in a different manner.

Based on statements from nine of the eleven councilors who sat on the council when it passed the mayoral longevity ordinance, and based on the clear language of the ordinance, the city should have paid Mayor DeMaria only \$40,000 in longevity payments (\$30,000 in retroactive payments as the mayor serving at the time of the ordinance’s passage, plus \$10,000 at the beginning of his term in January 2018). Instead, the city paid the mayor \$220,000, resulting in an overpayment of \$180,000. The city should recover these overpaid funds.

2. Mayor DeMaria and his administration concealed the mayor’s longevity payments from the council and the public.

The OIG found that Mayor DeMaria and his administration hid his longevity payments in an obscure line item in the city’s human resources budget that neither the council nor the public regularly review. Furthermore, evidence suggests that senior members of Mayor DeMaria’s administration allowed the mayor to circumvent the city’s internal controls by failing to properly document the mayor’s longevity payments.

A. Annual Budget

Each year, the mayor’s administration presents its budget to the council during the annual budgeting process. The council cannot add to the budget, but it can cut items. The budget is broken down by department. Within each department, the budget is further broken down by line items, which include expenses such as salaries, overtime, professional services, and marketing, as well as longevity payments. All employees’ longevity pay is paid out of their respective department’s longevity line item.

The longevity line item in the mayor’s office budget for Fiscal Year 2018 was \$30,800 (*see* Figure 2 below).¹⁶ According to the budget notes, that amount included a longevity payment of \$30,000 to Mayor DeMaria and longevity payments of \$400 each to two employees of the mayor’s office (*see* Figure 3 below). Fiscal Year 2018 was the first and last time the mayor’s longevity payment was listed in the mayor’s office budget. For Fiscal Year 2019, the longevity line item in the mayor’s office budget was \$800 (*see* Figures 4 and 5 below).¹⁷ For Fiscal Years 2020 and 2021, the longevity line item was budgeted at \$400 (*see* Figures 6 through 9 below).

¹⁵ Revised Ordinances of the City of Everett, § 7-166(c), available at <https://ecode360.com/EV4435>.

¹⁶ Figures 2 through 9 reflect budget information submitted by the City of Everett in response to a March 2022 OIG document request. The OIG reproduced the documents herein as received, but added the red notations to assist the reader.

¹⁷ The budget packet that the city provided to the OIG for Fiscal Year 2019 contained a page titled “Executive Office of the Mayor Notes to the Budget.” Listed next to longevity was a note that read, “Mayor DeMaria (\$40,000).” A city councilor interviewed by the OIG stated that they did not receive this page in their annual budget packet. Furthermore, Mayor DeMaria’s longevity payment for Fiscal Year 2018 was not reflected in the “FY 2018 Expended” column. Nor

City of Everett Everett Budget Council Worksheet FY 2018 City Budget							
121 - EXECUTIVE OFFICE OF MAYOR							
Account Number	Account Description	FY2016 Expended	FY2017 Budget	FY2017 Expended	FY2018 Requested	FY2018 Mayor Recommended	FY2018 Council Approved
PERSONNEL							
01-121-1-5111	SALARIES	\$585,458.49	\$791,331.00	\$542,316.93	\$780,276.00	\$780,276.00	
01-121-1-5113	PART TIME SALARIES	\$32,185.50	\$57,834.00	\$26,718.49	\$58,991.00	\$58,991.00	
01-121-1-5130	OVERTIME	\$0.00	\$5,000.00	\$0.00	\$5,000.00	\$5,000.00	
01-121-1-5143	LONGEVITY	\$1,385.95	\$8,000.00	\$68,841.75	\$30,800.00	\$30,800.00	
01-121-1-5190	AUTO ALLOWANCE	\$11,673.27	\$12,000.00	\$9,923.11	\$12,000.00	\$12,000.00	
PERSONNEL Total:		\$630,703.21	\$874,165.00	\$647,800.28	\$887,067.00	\$887,067.00	

Figure 2. A portion of Fiscal Year 2018 City of Everett Mayor's Office budget.

Executive Office of the Mayor (121)

	Budget FY 17	FY 18 Request	\$ + / -	% + / -	Detail
Personnel Services					
Salaries	797,231	780,276	(16,955)	-2%	Mayor - seeking 1% increase. Adding Policy Director C. Rollins to budget. Seeking new hire - Grant Write 1 employee from PT to FT. All else 2%.
Part Time Salaries	57,834	58,991	1,157	2%	Constituent Services - T. Shalsi (17.5), J. Sagarino (14), J. Marchant (10.5)
Overtime	5,000	5,000	0	0%	In lieu of comp time.
Longevity	2,100	30,800	28,700	1367%	Mayor DeMaria (\$30,000), Dolores Lattanzi (\$400) and Maryann Mayo (\$400)
Auto Allowance	12,000	12,000	0	0%	Mayor DeMaria - \$1,000 per month
Total Personnel Services	\$874,165	887,067	12,902	1%	

Figure 3. A portion of Fiscal Year 2018 City of Everett Mayor's Office notes to the budget.

City of Everett Everett Budget Council Summary Report FY 2019 City Budget							
121 - EXECUTIVE OFFICE OF MAYOR							
Account Number	Account Description	FY2017 Expended	FY2018 Budget	FY2018 Expended	FY2019 Requested	FY2019 Mayor Recommended	FY2019 Council Approved
PERSONNEL							
01-121-1-5111	SALARIES	\$678,363.33	\$810,276.00	\$770,375.54	\$803,434.00	\$803,434.00	\$803,434.00
01-121-1-5113	PART TIME SALARIES	\$33,225.33	\$58,991.00	\$44,529.85	\$110,170.00	\$110,170.00	\$49,999.00
01-121-1-5130	OVERTIME	\$0.00	\$5,000.00	\$0.00	\$5,000.00	\$5,000.00	\$5,000.00
01-121-1-5143	LONGEVITY	\$68,841.75	\$800.00	\$800.00	\$800.00	\$800.00	\$800.00
01-121-1-5190	AUTO ALLOWANCE	\$12,230.77	\$12,000.00	\$11,538.50	\$12,000.00	\$12,000.00	\$12,000.00
PERSONNEL Total:		\$792,661.18	\$887,067.00	\$827,243.89	\$931,404.00	\$931,404.00	\$871,233.00

Figure 4. A portion of Fiscal Year 2019 City of Everett Mayor's Office budget.

was it reflected in the "FY 2019 Requested" or "FY 2019 Mayor Recommended" columns in the Fiscal Year 2019 budget. Mayor DeMaria's longevity was not listed in the budget notes for Fiscal Years 2020 and 2021.

(121) Executive Office of the Mayor Notes to Budget

	FY 18 Budget	FY 19 Request	\$ + / -	% + / -	Detail
Personnel Services					
Salaries	810,276	803,434	(6,842)	-1%	2% on most salaries. 1 Vacancy (Grant Writer)
Part Time Salaries	58,991	49,999	(8,992)	-15%	Constituent Services - T. Shalsi, J. Broderick, A. Sahraoul. City Council cut this line by \$60,171.
Overtime	5,000	5,000	0	0%	In lieu of comp time.
Longevity	800	800	0	0%	Mayor DeMaria (\$40,000), Ms. Lattanzi (\$400) and Ms. Mayo (\$400)
Auto Allowance	12,000	12,000	0	0%	Mayor DeMaria - \$1,000 per month
Total Personnel Services	\$887,067	871,233	(15,834)	-2%	

Figure 5. A portion of Fiscal Year 2019 City of Everett Mayor's Office notes to the budget.

City of Everett Everett Budget Council Summary Report FY 2020 City Budget							
121 - EXECUTIVE OFFICE OF MAYOR							
Account Number	Account Description	FY2018 Expended	FY2019 Budget	FY2019 Expended	FY2020 Requested	FY2020 Mayor Recommended	FY2020 Council Approved
PERSONNEL							
01-121-1-5111	SALARIES	\$803,881.71	\$770,434.00	\$631,034.12	\$977,682.00	\$977,682.00	\$977,682.00
01-121-1-5113	PART TIME SALARIES	\$47,413.81	\$82,999.00	\$71,345.46	\$65,418.00	\$65,418.00	\$58,998.00
01-121-1-5130	OVERTIME	\$0.00	\$5,000.00	\$0.00	\$5,000.00	\$5,000.00	\$5,000.00
01-121-1-5143	LONGEVITY	\$800.00	\$800.00	\$3,682.63	\$400.00	\$400.00	\$400.00
01-121-1-5190	AUTO ALLOWANCE	\$12,000.04	\$12,000.00	\$10,153.88	\$12,000.00	\$12,000.00	\$12,000.00
PERSONNEL Total:		\$864,095.56	\$871,233.00	\$716,216.09	\$1,060,500.00	\$1,060,500.00	\$1,046,080.00

Figure 6. A portion of Fiscal Year 2020 City of Everett Mayor's Office budget.

(121) Executive Office of the Mayor - Notes to Budget					
	FY 19 Budget	FY 20 Request	\$ + / -	% + / -	Detail
Personnel Services					
Salaries	770,434	977,682	207,248	27%	Mayor's salary to \$185K on 1.1.20 per City Charter. 2% on most salaries. 1 Vacancy (Grant Writer). 5 salary reclassifications. 1 Constituent Services Aide made full time. Adding a full time Housing Manager at 35 hours/week and a 311 Coordinator to work Fridays, Saturdays and Sundays.
Part Time Salaries	82,999	50,998	(32,001)	-39%	Constituent Services - Ms. Shalsi, Ms. Graffam, Ms. Leo. Reduced by City Council.
Overtime	5,000	5,000	0	0%	In lieu of comp time.
Longevity	800	400	(400)	-50%	Ms. Lattanzi (\$400)
Auto Allowance	12,000	12,000	0	0%	Mayor DeMaria - \$1,000 per month
Total Personnel Services	\$871,233	1,046,080	174,847	20%	

Figure 7. A portion of Fiscal Year 2020 City of Everett Mayor's Office notes to the budget.

City of Everett Everett Budget Mayor Worksheet FY 2021 City Budget								
121 - EXECUTIVE OFFICE OF MAYOR								
Account Number	Account Description	FY2019 Expended	FY2020 Budget	FY2020 Expended	FY2021 Requested	\$ Change	% Change	FY2021 Mayor Recommended
PERSONNEL								
01-121-1-5111	SALARIES	\$746,932.92	\$977,682.00	\$552,152.59	\$1,181,494.00	\$203,812.00	20.84	
01-121-1-5113	PART TIME SALARIES	\$83,389.30	\$50,998.00	\$33,283.66	\$52,018.00	\$1,020.00	2.00	
01-121-1-5130	OVERTIME	\$0.00	\$5,000.00	\$0.00	\$5,000.00	\$0.00	0.00	
01-121-1-5143	LONGEVITY	\$800.00	\$400.00	\$400.00	\$400.00	\$0.00	0.00	
01-121-1-5190	AUTO ALLOWANCE	\$12,000.04	\$12,000.00	\$8,538.49	\$12,000.00	\$0.00	0.00	
PERSONNEL Total:		\$843,122.26	\$1,046,080.00	\$594,374.74	\$1,250,912.00	\$204,832.00	19.58	

Figure 8. A portion of Fiscal Year 2021 City of Everett Mayor's Office budget.

(121) Executive Office of the Mayor - Notes to Budget					
	FY20 Budget	FY21 Request	\$ +/-	% +/-	Detail
Personnel Services					
					Mayor's salary to \$185K on 1.1.20 per City Charter. 2% on most salaries. 4 Vacancies (Deputy Chief of Staff, Grant Writer, Affordable Housing Coordinator & Constituent Services Aide). Moved the position of Assistant Director of Communication & Gov'tal Affairs from ECTV. Creating a new position of Director of Diversity, Equity & Inclusion.
Salaries	977,682	1,181,494	203,812	21%	
Part Time Salaries	50,998	52,018	1,020	2%	Constituent Services - Ms. Shalsi, Ms. Graffam, Ms. Leo.
Overtime	5,000	5,000	0	0%	In lieu of comp time.
Longevity	400	400	0	0%	Ms. Lattanzi (\$400)
Auto Allowance	12,000	12,000	0	0%	Mayor DeMaria - \$1,000 per month
Total Personnel Services	\$1,046,080	1,250,912	204,832	20%	

Figure 9. A portion of Fiscal Year 2021 City of Everett Mayor's Office notes to the budget.

According to witness interviews, beginning in Fiscal Year 2019, the city attributed Mayor DeMaria's longevity payments to the "Employee Buyback and Other" line item within the city's human resources budget. The mayor had instructed the city's CFO to make this change, explaining that he did not want the council to see that his budget was increasing. The employee buyback line item is a catch-all account containing the estimated amounts needed to cover the costs of unused sick or vacation time owed to departing employees, as well as other unforeseen employment expenses. Since these expenses are unknown at the beginning of the fiscal year, the council does not – and, in fact, cannot – review projected expenditures from this budgetary line item.

OIG investigators reviewed recorded city council budget hearings from Fiscal Year 2018 through Fiscal Year 2021 and noted that neither council members nor the mayor's administration mentioned the mayor's longevity payments in any of those hearings.¹⁸

¹⁸ Mayor DeMaria told OIG investigators that it was not his intention to hide his longevity payments from the city council and the public in the human resources budget. He explained that because longevity was a city council ordinance, the mayor's office budget should not be artificially inflated by containing the large longevity payments. Mayor DeMaria was unaware that the notes to the budget for fiscal years 2020 and 2021 did not include any reference to his annual longevity payments and regretted those omissions.

B. Add/Change Forms

The city requires all payroll changes, including longevity payments, to be documented via an add/change form.¹⁹ The city only filed add/change forms for Mayor DeMaria's longevity payments on three occasions:

- i. In August 2016, when the mayor received a payment of \$7,600 pursuant to the non-union department head longevity ordinance;
- ii. In December 2017, to document the mayor's January 2018 payment of \$40,000; and
- iii. In January 2020, to document the mayor's payment of \$40,000.

On January 9, 2019, an employee in the city's human resources department emailed another employee stating:

Looks like they cut a check for the mayor for \$40,000.00 for longevity. [An employee] is looking for the add/change form. She needs the backup for this transaction. The add/change form didn't come by my desk. I looked thru [sic] the mayor's file and there is no add/change in his file. She also said that there was an add/change form for longevity done for 2018 in the amount of \$40,000.00, there was no copy of that in his file. I had [the employee] give me a copy of the 2018 Longevity to place in his file.

This must have been done when you and I were on vacation because she said it was for the payroll of January 3, 2019.

Do you need me to process an add/change form for signatures?

On the same day, the employee receiving the email responded that the human resources employee should not do anything because the city's CFO was handling the matter. Later that day, the city's CFO responded:

The Mayor's longevity was processed via a hand check last week as it was left off the payroll. As such, please save this email as documentation as I am not requiring the Mayor's office to redo an add/change form at this point.

The city's CFO has an obligation to ensure that all financial decisions comply with applicable law and policies. By not requiring an add/change form to properly document Mayor DeMaria's longevity pay, the CFO failed in his duty as a steward of public funds. To the extent that any controls for payroll changes existed, the city inconsistently enforced them for the mayor.

¹⁹ Mayor DeMaria was unsure whether add/change forms are required in all cases.

3. The city improperly paid Mayor DeMaria \$30,000 in retroactive longevity payments before the mayoral longevity ordinance was enacted.

On September 26, 2016, the city council voted to enroll the proposed mayoral longevity ordinance that would provide Mayor DeMaria with a one-time longevity payment of \$10,000 for each previously completed term as mayor. Mayor DeMaria had served three terms and would therefore be entitled to a \$30,000 retroactive payment.

On September 28, 2016, two days after the city council enrolled the ordinance but before the council ordained it, Mayor DeMaria received a check in the amount of \$21,818.25 (\$30,000 less tax withholdings) with a memo line that read “cash adv. / longv. ck.” Mayor DeMaria subsequently deposited that check in his checking account on October 6, 2016.

The OIG could not determine who authorized the September 28, 2016 payment to Mayor DeMaria. Regardless, the city had no authority to pay Mayor DeMaria based on an ordinance that had not yet been enacted.

4. The city improperly advanced an unauthorized \$1,700 payment to Mayor DeMaria under the longevity ordinance for non-union department heads.

On August 18, 2016, as the council deliberated the mayoral longevity ordinance, the city’s CFO emailed the city’s budget director with Mayor DeMaria’s request to calculate the amount of longevity the city owed the mayor based on its longevity ordinance for non-union department heads. The budget director calculated that the city owed Mayor DeMaria \$5,900 in overdue longevity payments. The budget director then proceeded to pay the mayor \$5,900 plus \$1,700 for what would be due to him in 2017 pursuant to the longevity ordinance for non-union department heads.

On October 11, 2016, the city council passed the mayoral longevity ordinance, nullifying any previous longevity ordinance that may have applied to the mayor. The \$1,700 payment was unauthorized and was improperly advanced to the mayor.

By accepting an advance payment of his 2017 longevity pay, Mayor DeMaria may have violated state ethics laws that prohibit public employees from receiving anything of substantial value because of the employee’s official position.²⁰ Furthermore, the budget director had no authority to provide Mayor DeMaria with an advance on a longevity payment that had not been earned, further demonstrating a lack of internal controls in the city’s finance department. Compounding the troubling nature of this matter is the fact that this advance payment was made in the middle of the city council’s deliberation on the new mayoral longevity ordinance, which the budget director should have known.²¹

²⁰ M.G.L. c. 268A, § 23(b).

²¹ In 2023, after the city became aware of the OIG investigation, the city deducted \$1,700 from a salary adjustment for the mayor.

5. Mayor DeMaria may have violated state ethics laws by participating in the drafting and approval of the city ordinance that provided him with longevity payments.

The Commonwealth of Massachusetts's ethics laws prohibit a municipal employee from participating in a matter in which they have a financial interest.²² Evidence demonstrates that Mayor DeMaria proposed the ordinance that would pay him a longevity bonus and was involved in reviewing and approving the draft of the ordinance. Evidence also demonstrates that Mayor DeMaria met with and solicited support from city councilors regarding the proposed longevity ordinance.

Witnesses told the OIG that Mayor DeMaria proposed the idea of a longevity ordinance because he was upset that other city employees were paid more than him. Furthermore, on July 18, 2016, the city clerk sent an email of the proposed ordinance to Mayor DeMaria. Mayor DeMaria responded to the email and instructed his chief of staff to prepare the ordinance for the next council meeting. Finally, in an August 16, 2016 email, Mayor DeMaria's assistant asked another staff member to schedule meetings with the mayor and several city councilors to discuss the proposed mayoral longevity ordinance. The email suggested that the purpose of the meetings was to garner support for the ordinance in which Mayor DeMaria had a financial interest.²³

Recommendations

Based on its investigative findings, the OIG recommends that the council take the following actions:

1. Conduct an audit of all payments made to Mayor DeMaria from Fiscal Year 2016 to present;
2. Recover \$180,000 in longevity payments made to Mayor DeMaria and any other overpayments discovered in the aforementioned audit;
3. Provide detailed information about Mayor DeMaria's longevity payments to the State Ethics Commission to determine whether he violated the Commonwealth's conflict of interest law;
4. Eliminate longevity payments to elected officials;
5. Require members of the council and the mayor's administration, including the CFO and budget director, to take specialized training on their fiduciary obligations;²⁴
6. Strengthen controls in the city's finance department. Ensure that compensation for all employees, including longevity payments, is clearly documented via add/change forms and

²² M.G.L. c. 268A, § 19.

²³ As noted in footnote 3, Mayor DeMaria denied any involvement in the development of the ordinance.

²⁴ If the CFO holds a professional license, the OIG suggests that the city review the facts related to this matter for possible reporting.

clearly stated in the annual municipal budget. Do not approve payroll changes without completed add/change forms; and

7. Ensure proper segregation of duties by creating separate positions of CFO and auditor.²⁵

Conclusion

The OIG found that Mayor DeMaria used his position to unjustly enrich himself by orchestrating a city ordinance that provided him with a considerable bonus. To hide these payments, his administration concealed his longevity payments from the city council and the public. Furthermore, Mayor DeMaria received unwarranted privileges when he accepted advances on longevity payments.

Members of Mayor DeMaria's administration, including his CFO and budget director, are stewards of public funds. The CFO has a fiduciary obligation to ensure that all financial decisions are in the best interests of the city, rather than for the benefit of a particular individual. The OIG's investigation found that members of Mayor DeMaria's administration failed in their public duties and instead took actions that financially benefited the mayor at the city's expense.

The OIG believes that the purpose of longevity payments is to reward and retain employees for their skill and experience through a system that recognizes years of valuable service. Longevity payments are not a means to pad the salaries of elected officials.²⁶ Unlike skilled municipal employees, a candidate for mayor is seeking, in essence, to be rehired. That should be at the salary set by the council.

Within 30 calendar days of receiving this letter, please notify this office in writing of your plans to implement the recommendations herein or of any steps already taken. If you have any questions, contact George Xenakis, director of the OIG's Audit, Oversight and Investigations Division, at 617-722-8853 or at George.Xenakis@mass.gov.

Thank you for your immediate attention to the OIG's findings and recommendations.

Sincerely,

A handwritten signature in blue ink, appearing to read 'J S Shapiro', is written over a horizontal line.

Jeffrey S. Shapiro, Esq., CIG
Inspector General

²⁵ One person serving in that dual financial capacity creates not just an apparent conflict of interest but also a real conflict of interest as documented through this investigation.

²⁶ Through this letter, the OIG gives notice of Mayor DeMaria's overpayments to the Everett Retirement Board.

Everett City Council President Martins

February 27, 2025

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cc (by email):

Wayne Matewsky, City Councilor Ward 1, Everett City Council
Anthony DiPierro, City Councilor Ward 3, Everett City Council
Holly Garcia, City Councilor Ward 4, Everett City Council
Robert Van Campen, City Councilor Ward 5, Everett City Council
Peter Pietrantonio, City Councilor Ward 6, Everett City Council
John F. Hanlon, City Councilor at Large, Everett City Council
Guerline Alcy Jabouin, City Councilor at Large, Everett City Council
Michael Marchese, City Councilor at Large, Everett City Council
Katy Rogers, City Councilor at Large, Everett City Council
Stephanie Smith, City Councilor at Large, Everett City Council
Colleen M. Mejia, City Solicitor, City of Everett
David A. Wilson, Executive Director, State Ethics Commission
Robert Shaw, Director, City of Everett Retirement Board
Geoffrey E. Snyder, Commissioner, Dept. of Revenue
Sean Cronin, Senior Deputy Commissioner, Dept. of Local Services, Dept. of Revenue
Eugenia M. Carris, General Counsel, OIG
George A. Xenakis, Director, Audit, Oversight and Investigations Division, OIG
Nataliya Urciuoli, Senior Executive Assistant, OIG

Appendix A: Summary of City Councilors' Statements^{27, 28}

Councilor	Ordinance Intent	Type of Statement
Councilor A	Payment of \$10,000 at the conclusion of each term.	OIG Interview
Councilor B	One-time payment of \$10,000 every four years.	OIG Interview
Councilor C	Payment of \$2,500 per year, for a total of \$10,000 after each term.	OIG Interview
Councilor D	Payment of \$10,000 at the conclusion of each term.	OIG Interview
Councilor E	Payment of \$10,000 per year for a total of \$40,000 at the end of each term.	OIG Interview
Councilor F	Payment of \$10,000 after each completed term.	OIG Interview
Councilor G	Payment of \$2,500 per year, for a total of \$10,000 at the end of each term.	November 15, 2021 Legislative Affairs Meeting
Councilor H	Did not specify but stated it was not \$40,000 per year.	November 22, 2021 City Council Meeting
Councilor I	Payment of \$10,000 each term.	December 13, 2021 City Council Meeting

²⁷ Councilors are listed on this chart at random.

²⁸ The OIG was unable to successfully interview the two remaining city councilors.