



**Office of the Administrator,
Robert W. Bruschi
Princeton Municipal Building
400 Witherspoon Street
Princeton, NJ 08540
609-924-5176**

Date: September 5, 2013
To: **Mayor and Council**
FROM: Robert W. Bruschi
SUBJECT: Salary and Wage Resolution

As a follow-up to the discussion on Monday evening I wanted to provide you with a brief impact scenario should the funding that has been requested get denied. As a matter of some additional background I'm also attaching a memo, which was prepared for Council for the previous discussion. This information outlines the process to date and can reinforce the background for the recommendations that are before Council

Administration has spent significant time looking at a variety of scenarios for making an adjustment for a "what if" scenario for the remaining \$165K shortfall/balance. It is our recommendation that if the additional funding does not get approved that the following changes be made:

- Eliminate the 19 salary harmonization recommendations as outlined thus providing for NO upward salary harmonization determinations. Any harmonization would be to level the salaries down to meet the lower salary. This would save the salary harmonization figure of \$98,484.
- Eliminate the 9 adjustments for positions that had significant changes in responsibility or were significantly under market conditions. This reduction totals \$45,551.
- The balance of \$21,965 would have to come through a reduction in the overall proposed 1.75% salary increase for the remaining 150 employees. This reduction would have to result in an increase below 1.5%. (1/4 of a percent equals approximately \$16,500)

The rationale for looking in this direction as an alternative is that it provides some equitable treatment of the non- contractual employees. The combination of all of these changes will

likely cause some serious morale issues in a climate that remains fragile as a result of the merging of the two communities. Further in the minds of administration it leaves the remaining issues of appropriate salary for many positions to be considered at some point in the future.

In summary the Administration continues to endorse and strongly recommends the adoption of the original salary and wage resolution. Further that this be done with the understanding that the additional costs associated with the implementation be provided by removing two recently vacated positions from future operating budgets. This will more than offset the costs of the full implementation and provide for the recurring offsetting expense for the implementation.

If council has any further questions about this recommendation or any of the information provided please do not hesitate to contact either Kathy Monzo or myself.