



Department of Administration  
Budget and Management Division

Tom Barrett  
Mayor

Sharon Robinson  
Administration Director

Dennis Yaccarino  
Budget and Management Director

November 27, 2017

Ref: 18bf

MEMORANDUM

To: Common Council Members  
From: Dennis Yaccarino, Budget Director  
Subject: Amendments Reducing Salaries

The Common Council lowered departmental salaries by \$633,650 via amendments to the 2018 Proposed Budget. The salary reductions were used as a source to fund additional items in the budget. Any impact from the salary reductions on services was not analyzed.

The 2018 Proposed Budget already assumed roughly 80 full-time positions vacant for the full year. The salary reduction included in the amendments is equivalent to reducing another 14 full-time positions and decreases the personnel cost adjustment by an additional 17.5% from the proposed budget.

There is a concern that holding positions vacant might negatively impact important City services. Many of the positions added in amendments may need to be held for an extended period and some as long as one year.

The vacancy assumptions used in the proposed budget were based on current vacancy trends. These vacancies happen randomly with the department having almost no control on their occurrence. Departments will work to minimize any impact from the salary reduction but some reduction to services will be unavoidable.

The Mayor has proposed an alternative that would retain City services as he originally proposed. Through vetoes, more than half of the salaries will be restored. Delaying general city employee salary increases by one month will provide the remaining salaries. This alternative would provide a solution that removes any concern on the service impact.

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