

OFFICE OF THE MAYOR
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February 16, 2011

The following is an open letter to the residents of the Township of Hanover in response to questions raised by a resident at the last Township Committee meeting.

Re: Salary Questions Asked
At February 10, 2011
Township Committee Meeting

Dear Residents:

The following are the answers to the three (3) questions raised during the regular meeting of the Township Committee on Thursday evening, February 10, 2011. During the meeting, the question posed was that the Township's Chief Finance Officer received an \$18,000.00 anniversary date step increment. This is incorrect.

You may recall that when the present CFO was appointed as the Township's Acting Chief Finance Officer by resolution dated April 10, 2008, his starting salary was \$66,157.00 per annum at Step A of Job Group XIV which was the bottom of the pay scale. Historically, it was the practice of the Township Committee to start an employee in a new position at the lowest step as a means of assessing that person's ability to perform the essential functions and responsibilities of the position before advancing him/her in step. If an employee received a satisfactory job performance evaluation, the employee would then advance to the next step which would be Step B. In the case of our CFO, he received a good job evaluation and therefore, was entitled to advance to Step B of Job Group XIV at the time of his anniversary date of November 1, 2008. At that time, the salary for Step B in Job Group XIV was \$74,460.00 which amount included a 3% across the board cost of living adjustment for all employees.

Subsequently, our CFO advanced to Step C in Job Group XIV at a salary of \$80,778.00 effective November 1, 2009. In 2009, the Township Committee did not adjust the salary guide to include a cost of living adjustment.

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Since his appointment as the Township's Chief Finance Officer, Mr. Esposito has gained a wealth of experience and knowledge and has mastered the job as the Township's manager of budget and finances. In this regard, a majority of the members of the Township Committee felt that Mr. Esposito should advance by two steps from Step C to Step 2 in Job Group XIV from \$80,778.00 to \$93,414.00 which translates into an anniversary increment of \$12,636.00.

The second question concerning the comparative salary study of Chief Financial Officers and Tax Collectors. The Township utilized the League of Municipalities' New Jersey Municipal Salary Report for 2009. For those municipalities in Morris County that did not list salaries for the two positions mentioned above, the Finance Department staff called the towns directly to obtain the information.

With regard to the third question concerning anniversary step increases, the total cost to the Township during calendar years 2011 through 2014 is estimated at \$50,544.00 for six (6) employees who are either non-union civilian personnel or employees under IBT Local 97. The \$50,544.00 does not include any adjustment in salaries that may arise in the future as a result of negotiations with IBT Local 97.

Finally, be advised that the above dollar amount and employee number does not include one step increment for one detective covered under the PBA collective bargaining agreement which is a contractual obligation.

Very truly yours,

TOWNSHIP OF HANOVER



John T. Sheridan

Mayor