
In the matter of the Interest Arbitration
concerning the negotiations impasse
between

DECISION AND AWARD

The County of Union, New Jersey

of

and

Frank A. Mason, Arbitrator

Union County Police Superior Officers
Association, PBA Local 73

Re: PERC Docket IA-2001-80

APPEARANCES

For the County: Kathryn V. Hatfield, Esq., Schenck Price Smith & King

Joseph L. Salemme, Director Administrative Services

Richard D. Mannix, Chief of Police

Greg Hardoby, Personnel Director

For the PBA: Richard D. Loccke, Esq., Loccke & Correia

Daniel Vaniska, Captain of Police

Jeff Foulks, Lieutenant & Ronald Esposito, Lieutenant

Richard Puschell, Sergeant

Vincent Foti, Esq., Financial Consultant

INTRODUCTION AND PROCEDURAL BACKGROUND

On May 25, 2001 the Public Employment Relations Commission recorded a filing of a petition to initiate compulsory interest arbitration based on a declaration of impasse by Richard D. Loccke, Esq., attorney for the Union County Police Superior Officers Association, PBA Local 73, concerning negotiations with the County of Union involving a unit of police employees in the ranks of Sergeant, Lieutenant and Captain numbering 17. The petition included a list of economic and non-economic issues which were described as unresolved mandatory subjects of negotiation. These negotiations concerned a successor Agreement to that which had been in effect from January 1, 1996 through December 31,

1998. The filing indicated there had been several negotiations meetings which had not resulted in a new contract

The PERC, on June 29, 2001, assigned Docket LA-2001-80 to the matter and pursuant to a mutual request of the parties appointed this arbitrator under its auspices, to conduct arbitration proceedings in accordance with the provisions of P.L. 1995, C. 425, to assist the parties in achieving a mutually acceptable resolution of the impasse or providing a determination of all issues consistent with the terms of the statute.

The County filed a response to the PBA petition on June 26, 2001 in which it acknowledged the negotiability of the submitted issues without protest but with minor adjustment as to extent of the impasse in elements of the Article 4, Wages, provision of the expired Agreement. Initial meeting dates had to be postponed but the parties met on September 10 and 21, 2001 on an informal basis in an attempt to resolve the impasse. Although a number of issues were eliminated it was decided that a formal hearing was required and such was scheduled for November 15, 2001. At that meeting the parties were reminded of their obligation under the statute to identify the relevance and relative importance of all statutory criteria and to address those in their presentations of positions on each of the remaining issues in dispute. Sworn testimony was introduced and the parties had opportunity to examine and cross examine those testifying. At the conclusion of the hearing it was determined that the parties would submit post-hearing briefs. Those were received and the extensive record of the proceedings closed on January 31, 2002. As there was no other agreement as to the format of the proceedings conventional arbitration was understood to be the means of resolution.

POSITIONS OF THE PARTIES

FINAL OFFER OF THE COUNTY

1. Duration of the Agreement to be January 1, 1999 through December 31, 2004

2. Wage adjustments:

January 1, 1999	3.5%
January 1, 2000	3.5%
January 1, 2001	3.5%
January 1, 2002	1.5%
July 1, 2002	1.5%
January 1, 2003	3.5% in guide 4.0% at max
January 1, 2004	3.5% in guide 4.0% at max

3. Creation of a three step guide for each rank. Guide to be prospective only.

4. Health benefits:

- a. Prescription Co-Pay increased employee payments for each prescription.

Mail order from \$0 to \$3: Generic from \$3 to \$5: Single-Source from \$5 to \$10
Multi-Source from \$10 to \$15.

- b. Horizon PPO [Blue Select]

Contribution for office visit to be \$5 in 2002, \$10 in 2003 and 2004

Out of network changed from 80/20 to 70/30 after determination of arbitrator.

Deductible for any single benefit period \$100 for individual and additional \$200 for eligible dependents effective January 1, 2003

Contribution to premium by employee: 2002-\$35 per month; 2003-\$40 per month; 2004-\$40 per month. Contributions are to be pre tax income.

- c. Health Benefit Buyout Option:

An employee with health benefit coverage from another source may voluntarily relinquish the County coverage and receive the sum of \$2500 annually in 26 installments over the next year. Such employees have option to reenter the County plan on a monthly basis.

- d. Employees hired after effective date of this Agreement or promoted into this unit after this Agreement is in effect shall maintain same level of benefits as when initially hired by the County.

5. Sick Leave Buyout

Adjustment of payment for accumulated sick leave on a set scale so that the maximum payout can escalate to \$18000.

6. Retirement Hospitalization Subsidy payments.

Single; under 65-\$189.67, over 65-\$138.39; H/W under 65-\$540.58; H/W over 65-\$276.77; H/W Retiree over 65-\$276.77; Family over 65-\$442.88; Family retiree over 65-\$477.85; PC retiree over 65-\$338.69.

FINAL OFFER OF THE SOA

1. Duration of Agreement to be January 1, 1999 through December 31, 2002

2. Salaries to be increased by 5% in each year effective on January 1st.
3. Holidays: Convert to cash and fold into base salary.
4. Clothing Allowance: Fold into base salary.
5. Senior Officer Differential: Ten years service-\$1365; Fifteen years service-\$2365; Twenty years service-\$2865.

The parties did not include any non-economic issues in their submissions.

STIPULATIONS OF THE PARTIES

1. Salaries/Hours of Work. A wage adjustment of 7.5% to be implemented on January 1, 2002 reflecting 45 minutes of added work schedule per day.
2. Residency. Police officers hired after March 26, 2001, will be required to be residents of Union County for two years following date of hire.
3. Direct Deposit. Effective January 1, 2002 employees shall be paid on a bi-weekly basis and provided with a direct deposit option.
4. Discipline. Minor discipline will be subject to binding arbitration pursuant to the procedure set forth in the parties' Agreement.
5. Compensatory Time. Officers may accumulate 24 hours of comp time per year. If not used by end of calendar year the county will convert time to cash overtime and pay the officer. Comp time to be used with approval in increments of one hour or more and permission not to be unreasonably withheld.
6. Hours of Work.
 - a. Captains schedule to be modified to a 4/3 schedule
 - b. Daily work schedule to be increased as of January 1, 2002 by 45 minutes to 11.5 hours for patrol division and 10 hours 10 minutes for specialized units.
 - c. Benefit time shall remain at the calculation of 10.75 hours for patrol and 9 hours and 25 minutes for specialized units. Personal and bereavement days shall be calculated on a day for day basis.
 - d. Work Incentive Bonus. Effective January 1, 2001 a \$500 bonus, not in base, shall be paid to any officer who uses no sick time during the prior year payable on January 15th.

- e. Safe Driving Day. Effective January 1, 2001 an officer who completes an entire calendar year without any chargeable on-duty motor vehicle accidents will be credited with one day off which shall be added to vacation time.
- f. Uniform and Maintenance Allowance. Allowance to be increased by \$50 in 1999, 2000 and 2001.
- g. Bill of Rights. The Bill of Rights as included in the rank and file Agreement shall be incorporated in this Agreement.

Each of the above stipulations shall be incorporated into the new Agreement.

PRELIMINARY DISCUSSION

One of the more unusual aspects of this matter is the fact that the parties have not resolved an Agreement since the expiration of their last contract on December 31, 1998. In sharp contrast to this the County has completed a series of contracts which generally have run from January, 1999 through December of 2001 as well as successor contracts to those which began in January of 2002 and continue until December of 2004. Included are several which involve police in the Sheriff's Office, Corrections and the Prosecutor's Office. On the basis of these completed series of contracts the County asks the arbitrator to acknowledge the existence of a well established pattern of settlements. Further, as it alleges that the proposals made to the SOA are focused on the same economic elements of a contract it asserts that the resolution of those issues here before me should not vary from those details of the pattern. In making this case the County points out that the pattern of an Employer's negotiated settlements should be given substantial weight in the determination of similar issues affecting other employee groups because to do otherwise would lead to internal conflict and the appearance of providing treatment of unequal value to employee groups who are employed by this same employer thus precipitating a devastating and improper effect on employee morale and the stability of employment. Such variations would lead to varying demands so that the ability of the County to provide fair and equal treatment of employees would be jeopardized.

In the course of the negotiations with other units of employees there have been voluntary settlements and arbitrated resolutions which support the position of the Employer because they are alleged to embrace the same pattern of economic adjustments proposed by the County and as have been presented in this matter. Additionally the County has presented evidence to support its contention that the elements of settlement have been generous as to improvements in salaries and very limited as to those elements wherein it has pressed for shared costs related to certain health insurance items by the employees involved. Moreover the agreements which have been effectuated all contain similar acceptances of the limited requests for participation in those sharply increasing health benefits costs illustrating the reasonableness of the County's position to share, to a small degree, the responsibility and costs of maintaining high quality benefits programs.

As to the core issue, salary increases, the County asserts that the long list of negotiated agreements is testament to the acceptability of its program. It also notes that the increases have, in each year of those contracts, except where the cost of living has not yet been published, exceeded that measure and that the improvements for future years are even more generous both in actual value and as compared to forecasts of the anticipated COL changes for the foreseeable future. Additionally the County notes that its salary improvements have the effect of maintaining or improving the relationship of salaries of its employees as contrasted to improvements made in comparable jurisdictions and points to the fact that these police agreements are more generous than contracts made with its non-police negotiations units.

The view of the PBA is somewhat different. In the first place it contends that the comparisons of the offer made here ought be weighed against the background of numerous agreements between public employers of police in the surrounding area of northern New Jersey. In the group of contracts involving such other units presented in evidence the rate of increases in salaries is substantially higher than offered by the County. In addition PBA contends that its members are among the lowest paid for their rank in the County and perform a highly sophisticated level of law enforcement, in many cases greater in range of services and value to the public, than is found in surrounding communities where their peers are much better rewarded. Therefore even if offered comparable percent increases, although that is not the situation here, there would still be an erosion of actual dollars of income compared to other employers' settlements.

Additionally the PBA protests the existence of very different levels of compensation between this unit of Superior Police Officers and that of other Union County police employees in Corrections, Sheriff's Office and in particular the Prosecutor's Office. Beyond the basic salary for equal ranks being paid substantially differently there is also a contention that particular benefits of considerable value, generally available to other County police units, are being withheld from the SOA without reason or justification. This latter complaint is focused on the commonly incorporated Senior Officer pay program but has been denied in negotiations here.

The County's response to the PBA is that it perceives the proper group of employers to use as a basis for comparability of compensation is a select group of Counties as they have demographic characteristics and programmatic operations similar to Union and are therefore performing more related services than are municipalities. In addition it defends its proposals as being very comparable among its several units of police employment and further claims that the grant of the Senior Officer plan to another unit was accomplished by negotiation of give-backs which offset the cost and allowed the County to agree to the plan without incurring added financial commitment.

It is my intention to examine these viewpoints in greater detail below. It is also my intention to consider each of the statutory standards in developing an appropriate determination as to the resolution of this impasse.

ANALYSIS

The officers employed in this unit serve in three titles. Sergeant, Lieutenant and Captain. The salary structure provides only one salary at each level. The differential between the ranks is between 11.2% and 11.8%. The Employer has included in the demands of the County that these officers be placed in three step ranges. No special suggestion as to how this should be accomplished was ever entered into the record although the intent was clearly that the current salary level become the top step and other steps be interjected below that pay level. My immediate observation is that with so small a salary gap from one rank to another the division of it to make room for two additional steps would be difficult to defend on any pragmatic basis and would probably have a negative effect on an individual's perception of a promotion if it involved less than a 4% salary change. It could even discourage one from undertaking additional responsibilities, hardly a desirable result. During the continuing analysis of the overall compensation plan I will further consider this issue as most other comparable ranks in police positions in the County have several steps in their respective salary guides which serve to provide incentive, reward for continuing satisfactory service and growth opportunity.

Because the Senior Officer stipend issue has a very significant potential impact and because of the representations made as to the denial for extending the benefit to this unit I feel this is the proper point at which an analysis of each position be undertaken. What we are looking at is a plan which provides added compensation to the base salary of individual officers at three stages of their careers. At the ten year level the stipend is \$1365; at 15 years it rises to \$2365 and at the 20 year point it becomes \$2865. The first two level stipends become part of the base salary but are excepted from any compounding by changes in the base pay rate. The \$2865 at 20 years is subject to compounding whenever there is an increase in the base compensation and by the same rate of change as the salary program. It is thus defined in other Agreements with the County. The cash value of this plan at \$1365 for the 5 years from entering the tenth year of service to entering the fifteenth year is \$6825. For the next 5 years at \$2365 it is weighed against the previous plan which provided \$1000 per year and adds another \$6825. For the five years beginning with the twentieth it adds \$1365 to the present \$1500 plan to add up to another \$6825. However as the \$2865 stipend is slated to adjust with the improvement in base rates beginning in the year 2000 it is likely that it will have much greater value when the time comes for many employees to receive it. For example, ten years from 2000 it will be worth \$4000 per year and approximately \$4800 in fifteen years presuming the rate of basic salary growth continues at 3.5% per year. Thus it can be seen that the minimum value for a person receiving this benefit for years ten through twenty five of a career would be \$20475 even without any adjustment of base salary and factoring in a conservative rate of base salary improvement it would rise to something over \$26000. In addition, at retirement, the extra value included in base salary will minimally be \$4000 which will add \$2000 annually to the retirement income. Presuming again, as all of such calculations require, the conservative period of retirement to be 25 years it can be demonstrated that the value in retirement will be an added \$50000 plus COL changes in that benefit. So in combination the overall value of this benefit is nominally something beyond \$75000. And

should the officer continue employment to the thirty year level. as is not uncommon, the value would be considerably greater. probably rising to above \$100000.

To provide this benefit to the Correction Officer unit the County and the PBA agreed to reduce the across the board salary increases for the year 1998 from 3.5% to 2% for those officers not yet at maximum salary. There was a similar reduction accepted for 1999 and for the 2000 year the 3.5% was reduced by 1%. The rate of pay for those at maximum was not affected in any year by this give-back plan.

At this point I am going to attempt to relate the value of those give-backs to the value of the plan which was negotiated in exchange. Because little factual detail is available to use for the purpose of making absolutely certain calculations I intend to apply a conservative conception to illustrate any conclusions to be drawn. The factors which are less than certain include the number of individuals at each step in the salary ranges, their years of service at the time, the age of each officer, the amount of turnover, the rate of future changes in salaries or the makeup of the salary guide and the like.

For an officer who was three steps from making maximum salary and who would have been in the middle of the five steps below maximum of the salary structure entering the 1998 contract year the three reductions would have directly impacted on income during those three years when give-backs were in effect. Someone only one step from maximum would have been affected for one year and others at the entry level would be affected for all three years as well as additional time required to reach maximum depending on which salary guide governed their progress after 2000. I assume that person who had only three years to max was at about the average salary of the staff under max pay at the time of the agreement and would have been earning approximately \$40000 at the third step in the guide. The pay reductions for three years at 1.5%, 1.5% and 1% would have produced a combined loss of pay for the three years of about \$3650. Obviously a person at the highest step before maximum pay would have been dramatically less adversely affected, to the tune of only about \$650, and someone at the beginning of the range would experience greater loss both in the guide which existed before 1997 and that which became part of the new Agreement and which added steps for officers entering employment after 1997. Further changes in the guide which went into effect in 2000 would not have imposed losses of new salary rate adjustments but would have decreased the annual value of incremental gain.

A conservative construction of the range of salary loss including those not gaining maximum for seven years would be from about \$650 to an outside limit of about \$10225. It is obvious that the appropriate number to use for the average loss sustained can't be precisely established. However following a conservative bent I have chosen \$6000 as a reasonably representative figure, one which I believe to err on the high side. As testimony from the Director of Administrative Services indicated that about half of the members of the corrections unit were below max salary when this benefit was agreed to I then presume the \$6000 figure should be reduced to one half that amount or \$3000 to demonstrate the actually anticipated salary savings per employee who would ultimately be affected by the

new benefit and thus provides a rational basis for comparison with the benefits to be received by all.

As can be readily seen from the above discussion Senior Officer payments, which would be enjoyed by all officers in the unit having the required years of service, would net each a minimum of \$20475 and very likely in excess of \$26000 whilst employed and an additional \$50000 plus compounding of COL of pension benefits in retirement. These figures are not absolute as mentioned above but they make it exceptionally clear that the notion that the correction officer contribution to the plan, an average of \$3000, was sufficient to offset its cost of implementation is without merit and represents a conclusion which is totally inconsistent with the salary and pension improvements listed above. While the cost of pension is not a direct cost to the Employer it is at least paid in substantial part by the County.

The record in this matter does not demonstrate that recipients of this benefit in other units of police employees provided give-backs in negotiations where it was included thus the argument that this benefit should not be extended to other employees of the County because they did not make the contribution to eliminate the cost to the Employer is likewise without merit. Another related observation is that those who were at maximum of the range and who were most capable of contribution to the cost, in terms of relatively higher income, did not and were the more immediate recipients of the fruits of the plan. They were situated in a sense as are the Superior Officers in this matter.

Another factor to add to this analysis is that the correction officers were to extend their work obligation by including 40 hours of mandatory training. This commitment was offset by an additional increase in salary in 2000. So those who had agreed to reduce their pay increase from 3.5% to 2.5% were instead given an increase of 4.47%. The hours represented by the extra 40 could have been worth a 1.85% increase but was interpreted to be 1.97%. This training time increase however is not the equivalent of a real 40 hour increase in work time. In the first place any amount of time devoted to this training on any day is presumed to be a whole day and so credited against the five day/40 hour plan so it is obvious that it would never be more than a day and probably less. Secondly the Agreement clearly states that the, "...Administration will make every effort to schedule training on an Officer's regular work day." Thus if the Administration is effective and in compliance with the Agreement much, if not all, of the training will be done without any additional time on the job by officers being trained and there will be very little or no extra hours worked for the 1.97% increase handed out in the 2000 pay plan.

My interpretation is that virtually all of the 1.97% training money is, in effect, an offset to the give-backs received and without real value to the County. This severely reduces the anticipated savings, of a total of 4 percentage points, to just a bit more than 2% in effective savings. In further contrast the additional costs attributable to the added 40 hours will continue indefinitely without the added costs ever being factored into the equation to develop a concept of savings versus higher payroll costs. It is fair to say the \$6000 stated above should be reduced to something in the neighborhood of \$3500+/-.

Further in this exercise it is fair to note that the published increase for the employees at maximum salary rate was to have been 3.5% for the year 2000 but the actual figure appearing in the Agreement represents an increase of 6.2%. Even if one presumed that the 1.85% extra for training was going to be performed as additional hours worked the 3.5% plus 1.85% would equal only 5.35%. Thus the 6.2% actually granted is .85% higher than the stated value of the contract terms. That .85% is to be compounded and enjoyed for the future service years of each correction officer and begins by adding \$498 to the maximum step rate in 2000 which is to be compounded by every base rate increase after 2000. Without making any specific calculation it is never the less clear that most correction officers will receive that benefit for most of their years of service. For someone at maximum in 2000 with another 15 years of service ahead its non-compounded value is about \$7500. When those employees who were not yet at maximum pay and who had to contribute the supposedly average of \$6000 in reduced pay make it to maximum rate they too will be rewarded by this extra nudge to the max pay rate by at least \$500 in each year of at least 15 to 20 future years of future service thus regaining every dollar of the give-back and then some. And if one concludes that the real give-back was only about \$3500, as explained above, it becomes obvious that the return will prove the give-back was a good investment returning several times the pay-back dollars even without consideration of the compounding effect of future salary increases or of the income from the Senior Officer stipend.

All of this analysis illustrates that those correction officers at max in 2000 are generously benefitted by the extra .85% as well as the 1.85% for training and of course the Senior Officer stipend for which they have not been required to contribute anything. And these extra earnings boosts, that is pay adjustments beyond the 3.5% attributable to the general description of the terms of the Agreement, will contribute to very substantially greater earnings than would be consistent with the "pattern" of settlements for police personnel which the County avers is the mandate backbone of the settlement terms which have been offered to the SOA and which should therefore be confirmed in this arbitration proceeding. Even during the 2001-2004 years already contracted for those correction officers who were at maximum salary will receive an additional \$1500 due to the 2000 increase above the 3.5% figure.

Apart from the economic analysis underlying the determination to grant or deny the inclusion of the Senior Officer stipend are the following observations. In the first place such plans are clearly established to enhance income and to provide recognition and appreciation for long service in a concrete manner. The eligibility beginning at ten years and increasing at 15 and 20 years service confirms this. An argument that the SOA employees should not receive the comparable benefit is at odds with the general purpose of such a plan and with the concepts of equal consistent treatment proposed by the County as an important element for the preservation of morale and to avoid, "...tensions and rancor between the uniformed services..", cited as of significance in the Employer's post hearing brief. These superior officers are persons who have served the County long and well. Were it the intention of the County to deny such a stipend to any group not

having fully "paid" for it by relinquishing salary improvements to which they were otherwise entitled there would be no plan. Yet many groups have received it and none have demonstrably contributed more than a pittance, if anything, of the actual costs. For these reasons I fail to see how the circumstances of the SOA differ from that of the correction officers at max. or indeed from all of them, considering all of the monetary factors above cited which more than fully offset the give-backs which were agreed to.

Beyond the comparison to the correction officer Agreement, where the County relies on the concept of having contributed a sufficiency of give-backs to offset the cost of the benefit, there is the added fact that the County made no attempt to demonstrate that any of the other police employees who were granted the Senior Officer stipend were made to make any contribution to the cost of the plan and my perusal of exhibits in evidence does not reveal same. The testimony of the Administrator did include mention of at least two such give-backs in the Sheriff's Officers Agreements, those being meal allowance and shift differential. Neither of these were supported by facts as to the nature of the savings provided and I find it unlikely that in combination such elements of prior compensation would exceed the percentage give-backs found not to materially offset the costs or values of the Senior Officer plan in the Corrections Agreement.

The facts presented in the above analysis also raise questions as to the pattern of settlements being considered a bar to any variation of the economic package to be awarded to the SOA. Certainly the claim of a rigidly adhered to pattern in the negotiation settlements achieved with other police units is now placed in some doubt as the 3.5% annual salary plan within the correction officers contract alone suggests the pattern to be a rather loosely applied guide. The grant, to other units, of the Senior Officer stipend also suggests the real costs of settlements are not, as has been argued, the actual costs of some agreements even though the annual percent increases are the same. There are other differences of note. For instance the offer to the SOA covers six years which includes three increases at 3.5%, one, 2002 at 3% [1.5 & 1.5], and two, 2003 and 2004 at 4% at max or 3.5% otherwise although there are no employees at anything but max. The agreement with the Sheriff's Officers includes the double 1.5% increases for 2001 but also includes 4% for those at max for each of three years, 2002, 2003 and 2004, years which the County seeks to include in the SOA contract but for which there is a proposal of 4% for only two years. It is also noteworthy that the maximum salary to be paid for sergeant in the Sheriff's contract for 2000 is \$63790 [which can include merit up to \$1500] compared to the pay rate proposed for SOA sergeant at \$60852 for 2000. This variation can also be seen in pay rates for Lieutenant, \$71228 vs. \$68072 and at Captain's level \$79275 vs. \$75764. While these differences amount to only 4.6% there has been no evidence included in the County's presentation which explains or justifies same. And it is clear that the level of difference will expand if the SOA receives only 3.5% one of the years when the Sheriff's Officers get 4% to 5.1%. While there may have been an evaluation of the two positions which could warrant the difference in pay at the 4.6% level there is certainly no information which would be seen as justification to expand the difference to 5.1% in this record.

In the County's post hearing brief the arbitrator is asked to recognize, "...there is no statutory or judicial mandate that the SOA's relative ranking among comparables be improved, only that the status quo be maintained." This admonition would suggest that I not dwell on the obvious differences in base pay compensation between SOA officers and that of other County personnel with similar job titles. However, it also inferentially imposes the concept of at least maintaining the compensation at equivalent levels as a reasonable responsibility of the arbitrator. I am in agreement with that concept especially where the comparables used for the making of such determinations are also units of employees of the very same employer.

In my opinion neither argument posed by the parties which revolves around which set of comparables should be considered in this matter offers an absolute basis for my determination. The County has chosen other counties and the result is that the pay rates for Union appear to be generally lower than the averages of the selected counties. However the number of counties chosen by relatively similar demographic and other circumstances was limited in most years to four or fewer after my elimination of Bergen County figures which, being more than 40% higher than Union County, I concluded should not be considered. In no case was Union County higher than the average of those submitted although there were several instances where Union pay exceeded that of another county. But the information submitted was scant and did not include comparison of hours worked. This was immediately obvious when Union County figures were dramatically increased for the year 2002 when pay was increased by an additional 7.5% to compensate for longer annual hours as were agreed to by the SOA. At that point there were only two other counties entered for comparison, one higher paying and one lower than Union. This is not the depth of data which I would choose to utilize for making a determination as to the factor of comparability.

Likewise the submissions of the SOA which included only municipalities is subject to concern as to relevance both as to the selection of the individual governmental bodies chosen and as to the nature of the work performed. The SOA figures did however show the Union County salaries to trail the sample averages by substantial margins frequently in a range of between nearly 12% to over 23%. In addition most of these municipalities were also paying longevity ranging from \$1500 at 20 years service up to 12% of pay at 24 years service. The maximum payment under the prior contract in Union was \$1500 at 20 years of service under a slightly different program.

After rather careful consideration of this matter I concluded the most appropriate comparison to be made is that of the treatment of all police personnel employed by the County itself. The reasons for this include the presence of several units for comparison and the lack of demonstrably suitable criteria from the other sources submitted by the parties. In addition the argument proposed by the County that there be given substantial weight to the County's program because it had been accepted in many agreements and endorsed in interest arbitration made significant sense. As can be seen from the above detailed analysis the claim of an absolute pattern in those settlements is, however, somewhat questionable and needs to be examined with care before anointing the County

proposal as completely fair and appropriate to the circumstances. One of the first elements to be resolved has to do with the combination of changes which alter the overall compensation plan.

In addition to the two elements of income addressed above the county has proposed several substantial changes which affect the health benefits afforded to employees. These are specified above and do not require further definition here. The issue presented is whether the shifting of costs of the various elements affected to the employees represented is justified. The County has presented convincing evidence of the rapidly rising costs of the health benefits plan and has been successful in gaining the support of all of the negotiations units of its employees in reaching accord with them as to the changes proposed. There can be no doubt as to the claim of sharply rising costs of such program elements. The shifting of some of those increases to the employees is warranted on the basis of the prior concept of shared costs which is contained in the past Agreement. The increases in those costs have been borne by the County during the last few years resulting in a reduction of the pro rata share paid by employees. The adjustments sought tend to bring the balance of costs somewhat nearer to what existed in the prior Agreement. There are also movements to improve certain elements of the plans, in particular the improvement in sick leave buyout and the health benefit buyout [two items I include because of their relativity] as well as the greatly improved County subsidization of health benefits for those in retirement. This latter is a substantial benefit and one which for many may very well have more actual value in future years of retirement than the sum of the increased costs they will have had to shoulder whilst employed.

Another and possibly positive effect of the shifting of costs is to make employees more aware of the overall costs of the plans by accepting a larger co-payment with the twin objectives of relieving the County of some direct burden and encouraging employees to become more judicious and not to abuse the plans by unwarranted use. These objectives have been subscribed to in many jurisdictions and in consideration of the sharply rising costs of health benefits seem to be entirely appropriate. As the County has indicated, if these plan costs cannot be contained there will be an inevitable pressure to reduce them by plan benefits reductions or the control of other related costs such as salaries to offset those increased premiums.

It is apparent that all of the unions representing employees of Union County have considered these proposals and have concluded they have a part to play in holding down the County share by accepting responsibility for a reasonable proportion of the costs. I conclude that in these negotiations there is both a demonstrated need for the County proposals to be confirmed on the basis of the escalating costs as well as avoidance of deviations from County-wide plans which would be administratively burdensome and costly. This is an area where the norm has been to provide uniform benefits and there has been no evidence introduced as to an alternative. In fact the PBA did not offer any substantial protest to the changes. It seemed likely that there was no agreement on this issue because of the lack of an accord concerning another benefit, the Senior Officer stipend. I therefore conclude that the County proposal as to modification of the health

benefits program should be awarded as set forth, including all conditions incorporated therein. I do not think this decision need be predicated on examination of the statutory standards but do see this as supporting the concern for comparability with other County employees and thus also in the public interest as maintaining a single plan will avoid any of the divisiveness which would attend imposition of a plan with substantial variation.

I find one exception to the endorsement of the County plan for health benefits. This has to do with the demand that employees entering the unit by employment or promotion should bring to this position the benefits which were available, "...when initially hired by the County". In the first place I do not have any clear notion as to what this might mean for such an individual. It could be an advantage or a disadvantage. However the SOA is responsible for the negotiation of this unit's terms and conditions of employment. To be required to accept such a notion clearly infers a relinquishment of that responsibility and opens the door to a benefits plan which is not consistent for all the represented employees. The County has incorporated this in its demands but has provided no substantiation as to its needs for such a deviation from the concept of uniform benefits for all in the unit. Given this circumstance I conclude that the demand for such a provision be denied.

Another of the distinctions in the parties' proposals before me is the duration of the Agreement. In its proposal the County asks for a six year Agreement. This would place this unit on the same track as to expiration date and renewal negotiations as are the other negotiations units. It is defended as being warranted in part because of the timing of this proceeding where more than three years of the anticipated contract period are already past and only something less than three years of a future contract term remain. In contrast the SOA has proposed a contract which would terminate in December of 2002. The effect of such would be to propel the parties into negotiations again before the end of this year. This would mean the likelihood of another impasse in negotiations, the substance of which would be duplicative of the issues presented here, and another interest arbitration proceeding be undertaken as a result. I base this conclusion on the facts presented here, principally the differences between the parties on economic issues which would continue for the following two years; issues which should be resolved here and now.

This would be a costly undertaking for a unit of only 17 employees. If the SOA were to persist in its attempt to gain greater improvements than were provided to other units the arbitrator would be confronted with the same issues facing me. If the SOA were to attempt a contract of longer duration than of all units where the expiration date is 2004 the prospect of any meaningful compromises with the County, which would lead only to the other units later seeking greater gains, would not be attractive to the County. While I do not concede that a small unit such as the SOA should be precluded from having its proposals given serious consideration the practical reality is that this Employer will behave just as it has in these long delayed negotiations as to the issues having general impact on all comparably situated employees. This would not preclude serious consideration of those issues peculiar to this unit but would suggest such things as wages will remain a target for consistent treatment as this policy has been adopted and vigorously pursued by the County. The offset timing of the SOA Agreement which concluded in 1998 certainly

does not appear to have been of any advantage to the SOA and may very well have had a damaging impact on morale to the disadvantage of the public being served.

Given all the circumstances presented by this issue I am persuaded that a contract with an expiration date of December 31, 2004 is in the best interest of all concerned. My consideration of the SOA proposals in these negotiations will reflect, as much as is practicable, its entitlement to detached evaluation balanced by the circumstances of the Employer and its other negotiated agreements.

The SOA has proposed that the dollar value of the uniform maintenance allowance, \$600 in 1998, and the uniform allowance of \$250 in 1998 be improved during the period of this Agreement and that the payment become part of the ordinary salary. The objective being to raise the base pay rate used for calculation of increases in pay as well as for calculation of all ordinary entitlements such as overtime payments. The SOA defends this on the predicate that the SOA officers are seriously underpaid and inclusion of these allowances would have the effect of improving their comparative salaries.

After careful consideration of this I do not find much justification for the inclusion of these allowances in base salary. These payments are made for particular purposes and no compelling rationale has been advanced as to those agreed upon values being used to impact on such things as overtime earnings. On the other hand whatever has been done to advance such payments in other police units seems the likely basis for treating the request for improvement of the allowances in the form in which they have been paid in the past. In the stipulation of the parties above there is included an annual increase of these combined elements by \$50 in each of the contract years 1999, 2000 and 2001. Given the need to extend the considered period of the Agreement it is my conclusion that there be an annual increase of \$50 incorporated in this award.

A final issue presented by the SOA has to do with the demand to fold into base salary the value for all holidays. In the last Agreement each employee is entitled to a day off with pay or, if scheduled to work, another designated day off. A separate provision allows employees the option of payment in cash for as many as five holidays in a calendar year. The County urges the arbitrator to reject this demand because the SOA did not present evidence supporting its position and pointed out that the party seeking changes has the burden to prove the change sought is necessary. The County also called to the arbitrator's attention the contrasting allegation that all of the County proposals were supported by testimony and factual data and thus should be incorporated in the award. There is some truth to the County's arguments particularly if one were to discount all of the evidence presented by the SOA as to comparative data because it was not formed on the comparability base asserted to be appropriate by the County. However, as mentioned above, I have concluded the particular circumstances present suggest the principal comparability base most appropriate in this matter to be the internal treatment of County units of employees. In the SOA proposals there has been an admission that the objective is to secure improvement in the base salary because of its claim that these unit members are substantially underpaid when compared to peers in municipalities within the County

and surrounding areas. They maintain that this is also true when comparison is made to other unit employees of Union County. As noted above there is substantial truth in this allegation according to my analysis.

In the Agreement which expired there is a provision concerning the right of unit members to receive cash payments for five of the 14 holidays set forth. These may only be taken in a block form. Otherwise the option is to take the day off with pay or to substitute another day. In the proposal of SOA the members would relinquish entitlement to any holidays in exchange for the equivalent value being added to base pay. The SOA claims this would accomplish the objective stated above and that it would be of mutual benefit as it would mean added work being performed by the current staff at normal pay rates and without the very substantial overhead costs which would be incurred if the Employer were, alternatively, to hire an additional person to do that added work. Of course what is not said is that if the Employer does not perceive the need for those extra work days, which would approximate one new employee being added, then the mandated payment has the effect of expanding the payroll as if someone had been hired. No discussion was undertaken as to the elimination of holidays affecting the alternative value of providing employees with time off and the option to celebrate some of the underlying purposes for which the holidays were created and the reason which underlies public support for them.

In its post-hearing brief the SOA pointed out the cost of their proposal to be approximately \$3700 per person when taking the composite pay rates in effect at a particular time. As the prior Agreement allows only five days to be converted to cash and as the remainder of the 14 holidays represents 64% of holiday time it is clear that the increased value to the SOA would add \$2368 per officer compared to taking just 5 days in pay. This equates to an increase of about 3% of payroll and something more than 3% if employees historically cash in less than the maximum allowed. While this change would have the effect of increasing base salary there is little in the arguments or evidence presented to warrant the mandate to the County to spend the equivalent of another person on staff unless the County agreed this device was of mutual value as an efficient way to augment the work force. It apparently does not and poses to me the obligation to justify forcing the County to enlarge the paid hours of work without sufficient demonstrated justification and possibly beyond my authorization.

CONCLUSIONS

SUMMARY OF CONSIDERATION OF STATUTORY CRITERIA

The arbitrator is mandated to evaluate the application of the statutory criteria and to indicate the relevance of those criteria to any determinations. Until this point I have made only casual reference to them in discussion and analysis of each element of this impasse. Each of my conclusions and elements of this award will reflect the imposition of such consideration however and where appropriate such will be discussed.

The interests and welfare of the public is usually related to the question of limitations of public spending reflecting the Local Government Cap Law. In this circumstance there is nothing about the elements of the award to be set forth which would in any real degree threaten or infringe upon those limits. The County has made no issue of this as a limiting factor and the size of this unit of employees relative to the overall work force makes it evident that the impact of my award will constitute only a very minor portion of the County's financial obligations.

The public interest extends to the need for an effective, motivated work force as well as the circumstance of their morale. In the situation presented here there is need to maintain the overall dimensions of the negotiations scheme which has been created by agreements with much of the work force. To cast aside the general guidelines in the formation of this award would provoke serious repercussions which should be avoided. However this does not suggest to me that the analysis presented above should not be given substantial weight in the determination of how the general terms of agreements should be interpreted in the determination of the elements of this matter. As noted in that analysis there are very significant distinctions between what is defended by the County as the impact of its modifications in wages and benefits and quite different conclusions drawn from the underlying facts and figures presented in evidence. It is my obligation to provide an overall compensation package which can be defended as equivalent to the improvements provided by the County to other employee groups. This view is supported by the insistent argument of the County as necessary to preclude unwarranted disparity leading to which would be disruptive to the stability of the governing body and detrimental to a beneficial labor policy.

I therefore construe this criterion to be of considerable importance and rest heavily on it as a basis for the determinations of the duration of the Agreement, the structure of benefits and the details of the salary plan.

The comparison of wages and total compensation have occupied a prominent position in the positions of the parties. Neither have focused greatly on the private sector except that the County has demonstrated that its offer is substantially greater than negotiated settlements in 1999, a year of substantial prosperity, and that the salaries of unit members compare very favorably to average wages in New Jersey. The SOA advocates the private sector picture not be given special consideration in that the police activity is not replicated in local employment and does not form a reasonable basis for comparison. I am in agreement that the real comparison should focus on police who have the peculiar responsibilities associated with their public service and authority.

As to the question of which is the proper base for comparison, the County position which includes only a few other counties, or the SOA position which focuses on municipalities in the relatively close vicinity, I have expressed above my conclusion that the real focus should be within the County. In part this is a reflection of the substantial structure of the County's labor policy reflected in numerous contracts which provide a pattern of settlements. It is also influenced by the overall quality of those settlements. By this I

mean that the basic rate of improvements which have been incorporated in those many agreements compare reasonably, as demonstrated in evidence presented at hearing, to contracts in public employment for similar units of employees executed statewide.

The only significant issues to be resolved are economic and are of critical importance to the resolution of this impasse. I therefore consider the comparison of salary and benefit data to be of the highest importance and give this criterion substantial weight in drawing the conclusions to be set forth in the award. However, my focus will be on the internal circumstances of the County. That these employees are compensated at less than the average levels of the comparison bases suggested by the County and the SOA provide some influence in the interpretation of the evidence incorporated in the record. My award will fairly treat these employees as compared with others of the County and will generally maintain the basic elements of the County's labor policy.

The stipulations of the parties are presented above and shall be incorporated in the new Agreement. The County did not claim the demands of the SOA, if awarded, would pose a threat to the lawful authority of the Employer although it expressed substantial concern that the labor policy not be jeopardized. In addition the County has maintained a posture of rejection of SOA proposals which differ from its prior commitments to others based on the theory that no proofs were entered in favor and support of the SOA. This view is not entirely exhaustive as the SOA did include many exhibits in the record which were not challenged, although the County rejected them as being inappropriate, and also provided comprehensive argument and analysis in its post-hearing brief to which the County could have reserved a right of response. Although these reservations of the County do not constitute a rationale to conclude the costs of SOA proposals would endanger the ability of the County to provide services I nevertheless regard this area of consideration as highly relevant and worthy of regard but not dispositive as to the conclusions contained in my award.

The fiscal impact of the terms awarded are believed to be within tolerable limits of the County and will provide reasonable improvements aimed at maintaining the general level of comparability to settlements achieved affecting the six year period of the proposed Agreement. My assertion is that the award will provide the equity intended although it may not fully equate with the differences of the parties as to what was required to accomplish that objective. Placing the costs of the award within the relative parameters of those to be sustained by the County as the effect of implementation of other agreements has been the purpose which I believe to have been realized.

The costs of the award do not come about without impact on the County budget but they are not at a level perceived to be onerous or which would endanger the overall fiscal policy of the County. Moreover the costs correlate to the realities of those of other agreements as I have determined in the analysis above. Thus the County's objective as to fair treatment will be enhanced in spite of the likely resistance to conclusions drawn from my analysis of the facts presented in evidence by the County at hearing.

The significance of the costs of this award on the property tax or on the income sectors of tax payers and the impact on the County as to maintenance of services is negligible. This is especially true because of the very small unit of personnel involved and because the County's economic plan for negotiations as presented would have covered the lions share if not all of the monies required to fund the award and should therefore have been included in financial planning. One exception to this might be the monies required to fund the Senior Officer stipend. However no information was presented as to the potential costs and no evidence introduced which would have provided me with the detail required to make a reliable computation. I consider this criterion to be very relevant in this proceeding and believe I have given it due weight in reaching the determinations of the several related economic issues whilst maintaining a balance with the other than economic interests of the public which could be affected.

Neither party made any contention as to the impact of the cost of living as a factor to be considered in this matter other than to observe that the offer of the County exceeded that measure. As the basic wage proposal of the County is not contested by the SOA on the grounds of being insufficient to provide protection against inflation I conclude there is little need for me to take any but the passing notice of this criterion and do not give it any real relevance to resolution of this impasse.

There is no likelihood that the award will materially affect the stability or continuity of employment as these employees are dedicated career people with few options as to change. However I do believe it will restore their self image and reduce the view that they might otherwise have had as being considered a second citizen group. My design was to provide a fair settlement of the economic issues while avoiding the introduction of facets which would have a deleterious impact on the employment relationship or introduce limitations on managerial flexibility or costs which are excessive and could result in reduction of services.

DETERMINATION OF ISSUES PRESENTED AND AWARD

1. WAGES

In the analysis section of this document I outlined the contractual impact of the County's advertised 3.5% annual salary increase for the years 1998, 1999 and 2000 as it was applied to the Correction Officers' Agreement. Those at the maximum of the salary plan who were not affected by any of the give-backs associated with the cost savings reported to be the off-setting value for the grant of the Senior Officer stipend were to be granted 3.5% in each year. I perceive the proper relativity to be considered is those at maximum with the officers in the SOA unit as they do not have a salary guide with steps. My first observation is that Correction Officers received the 3.5% as of January 1, 1998 according to the detail provided in County Exhibit #31 in evidence. This was the third year of the last SOA Agreement which provided Superior Officers with only 3% for calendar 1998.

In the second year, 1999, the 3.5% was again implemented. But in 2000 those at maximum were increased by 6.2% of which 1.85% would reasonably have been attributable to the 40 hours of training required as "extra work". The total of 3.5 and 1.85 equals 5.35% thus the actual increase of 6.2% involves a payment of an additional .85% not accounted for in the County's recapitulation of the salary program. This extra pay increase was not admitted in discussions as to why the SOA employees should get the standard pattern 3.5% increase. Moreover the County defended its position as part a 3.5% pattern which it clearly was not. In further observation the correction officers who were not at maximum salary for the 2000 year actually received an increase of 4.47%. Had they been granted the 2.5% [after the agreed upon reduction of 1%] and were also compensated for the mandated training at the computed value of 1.85% they would have received an increase of only 4.35%.

Additionally, while again reviewing the actual figures presented in that exhibit I find the presumption as expressed by the Administrator that, "...about half" of the corrections officers were at maximum pay to have been in sharp variance to the published figure in the exhibit which notes that fully 73% of the 340 officers were at maximum in 2000. I bring this into focus at this time because it further controverts the concept that there were half of the unit accepting reduced salary increases for three years and that those savings were sufficient to offset the cost of the Senior Officer stipend program which I discussed above in Analysis. My conclusion there was that there was no where near enough savings to pay for the plan. That conclusion would be even further underscored if I had reduced the number of officers involved in the pay reduction, and thus contributing savings, from "about half" to the actual published figure of 27%. I note that the 73% figure could have come about as a result of incremental step movements for some officers from 1998 to 2000, the date of the exhibit. This would not change the fact that many fewer than 50% contributed savings by salary reduction for the entire three years of the Agreement.

At this point it is clear that the Superior Officers lost a half percent for the 1998 year and an additional .85% would be lost in 2000, using the Correction Officers contract for comparison, if the straight 3.5% plan is imposed. And this 1.35% could be increased by 1.85% if the County chose to have the Superior Officers undertake mandatory annual training, which would be scheduled during their normal work hours if possible, as they did for the Correction Superior Officers!

The County has proposed that the SOA receive increases of 3.5% in the 1999, 2000 and 2001 years and in 2002 a split involving 1.5% in January and another 1.5% in July followed by 4% at max in 2003 and 2004 or 3.5% in any lessor step, if established, for those two years. As noted above the 3.5% would be .85% less than the correction officers got in 2000 after an additional allowance for training. I find these distinctions to sharply controvert the asserted objective that all police employees be treated equally especially after the further loss of .5% for the 1998 year Agreement. The stated policy of having all negotiations units in lock step, "...thereby preventing discrepancies in bargaining" begins to appear more a figment than a real measure of that policy. In addition to the .5% loss for 1998 the County has formulated the offer to the SOA in such

a way that the split 1.5%/1.5% year is proposed for 2002 instead of 2001, as in other Agreements, which then reduces the years in which 4% is provided from three for other units to two for the SOA. This results in a further lessening of the relative salary progress for the SOA compared with other units by .5%, as the effect is to provide a year at 3.5% in 2001 instead of the 4% in 2002 to bring the total negative comparison of SOA to Corrections Officers to minus 1.85% for the period from 1998 through 2004.

It is interesting to note that County's post hearing brief includes this excerpt from the testimony of the Director of Administration; "...the County has always treated the County Police... as being on the same negotiations cycle as other law enforcement units, despite being one-year off cycle. Thus the County's wage proposal for the years 1999-2001 to the SOA is based on a well-established County pattern with its law enforcement units". This statement brings into focus the fact that the SOA Agreement for the 1998 year provided a 3% level of increase and despite the fact that all other units were later granted 3.5% no remedy has been offered to satisfy the concept of equal treatment inferred as an underlying canon of County policy.

It should be noted here that there was no evidence introduced by the County which would suggest there were rational reasons for the distinction in salary rates. Although there are huge differences in pay rates for comparable ranks in the several County functions no effort was made to enlighten the arbitrator as to variations attributable to the measure of the worth of those positions as justification. I adduce that there is substantive distinction in the work of the Prosecutor's personnel, for example, but can only guess as to any distinction in an evaluative sense. The only thing noted in post-hearing brief was that the arbitrator be mindful that, "...there is no statutory or judicial mandate that the SOA's relative ranking among comparables be improved, only that the status quo be maintained." In the spirit of that instruction I shall attempt to provide a salary program which is both justified and fair.

The arbitrator is faced with the responsibility to provide a solution to this dispute and to fairly resolve the several contradictions presented. The Employer advocates adoption of its position as to wage adjustments because of and to ensure that there be a fair and consistent pattern in the several agreements involving police units. In defense of this position it is claimed that to do otherwise would produce inequities, injury to morale and chaos in its relationships with those employee groups and between them. However my analysis suggests the Employer's reliance on their data to produce a fair and equivalent level of wage and benefit improvements is seriously flawed. In fact it is my opinion that endorsement of the County's proposals would stimulate the very problems it has indicated it wishes to avoid; poor morale, chaos and internal jealousies. The discussion as to the salary issue above using the Correction Officers contract for comparison is illustrative of the potential failure of the County policy. Likewise the provision of the Senior Officer stipend because of savings to Correction Officers is clearly unsubstantiated. This is especially evident when it became known that 73% of those officers were at maximum salary in 2000, received an extra .85% salary increase, did not contribute anything or very little for the benefit and that those who were below max and make the largest contribution

will inevitably be rewarded many fold at the expense of the County. Neither was it documented as to how others who received the stipend gave sufficient give-backs to warrant the declaration that it was given at no cost to the County.

In the case of the Sheriff's Officers they gave up certain issues but received 1.9% salary increases if under max and \$1486 if at max for doing so. There is nothing in the subsequent makeup of the salary table to suggest there was any concession of percent increases as was effected in the Correction Officer Agreement. There was no detail presented as to the value of the give-back which apparently was exchanged for the salary rate increases in January of 2001. Absence of same fails to convince me that, if presented, it could warrant the statement that the Senior Officer stipend as well as the base rate increase was "paid for" by such. I might add that the Sheriff's Officers at max do not appear to have been granted the extra .85% which was included in the Corrections Officer Agreement; a distinction which raises further doubt about the policy application.

The Correction Superior Officers Agreement for the period 1998 through 2000 incorporated the addition of steps for each rank effective in January of 2000. The highest step essentially involved the ordinary increase percent of 3.5% and added \$1500 to compensate for mandated training. Thereafter the salary rates were increased in November with the Sergeant at max receiving approximately 3.5%, Lieutenant at max 3.75% and Captain at max 3.85%. This was accompanied by the addition of a further step to each rank salary guide. The lower steps created were not increased at the same rates. No clarification was offered as to the effect of the November 2000 increase as it might pertain to any salary improvements to be afforded in 2001 and the evidence submitted does not clarify that issue. However, presuming the November pay raise is intended to cover calendar 2001 it still exceeds the 3.5% figure suggested as the pattern and provides a nominal added dollar impact being paid two months before others. This represents another example of the departure from a distinct pattern of settlements as claimed to exist by the County and raises a further question as to what the proper rate of compensation increase should be for the year 2001, even assuming the November 2000 increase was intended to be the January 2001 equivalent.

The evaluation of all these factors leads me to the conclusion that the SOA is entitled to a compensation package which provides sufficiency of increases to assure that the comparison of their pay rates does not diminish in relation to increases granted to other police employees of the County. One other note I would parenthetically append is that the increases to be awarded will closely parallel the State average of police settlements for the period involved. I therefore find the following salary adjustments to be warranted.

January 1, 1999	4%
January 1, 2000	4.35%
January 1, 2001	1.5% & July 1, 2001 1.5%
January 1, 2002	4%
January 1, 2003	4%
January 1, 2004	4%

It is intended that the added .5% in 1999 will offset the differential sustained by SOA in the 1998 contract year and the added .85% in 2000 will offset the extra pay increase granted to corrections officers as described above.

2. Health Benefits

In the Analysis above I concluded that the proposal of the County as to modifications of the Health Benefits Program, parts a, b, and c, should be awarded with the exception of that portion, d, which dealt with the possibility of incoming new members of the negotiations unit carrying with them a different program. In my analysis I combined the separately presented County issues of, #5, Sick Leave Buyout and #6, Retirement Hospitalization Subsidy Payments, with the considerations of the overall health benefits elements.

As outlined in that discussion the County proposal is therefore awarded with that exception.

3. Senior Officer Stipend

Section 2 of Article 4, Salaries, shall be replaced with a Senior Officer Stipend provision the terms and conditions of which shall be the same as was provided in the Union County Corrections Officers Agreement with PBA Local 199 in the contract effective for the period 1998-2000. The benefits shall begin as of January 1, 2000 and be paid retroactively to that date.

4. Holidays conversion to cash.

This element of the final offer of the SOA is rejected.

5. Clothing Allowances.

The SOA demands as to conversion of the clothing and clothing maintenance allowances to base pay are rejected. The parties reached an accord as to the amount of those allowances to be increased during the first three year period, 1999-2001, of the new Agreement. That rate of increase, \$50 for the two combined elements per year, is to be extended to the further three years of the Agreement, 2002-2004.

6. Three step salary guide.

This County proposal is rejected.

7. Term of Agreement.

The term of the Agreement shall be January 1, 1999 through December 31, 2004.

8. Retention of jurisdiction.

All stipulations of the parties separately set forth above are to be included in the new Agreement. All economic elements are to be effective on dates stated and where retroactive in nature shall be paid promptly and in any event within 45 days of receipt of this award. All elements of the former Agreement not affected by the terms of this award are intended to be continued.

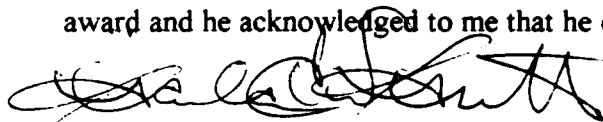
There are significant details which need be worked into the new Agreement which are derivative of the application of the terms of this award. While I do not presume this to be a major problem for the parties I am aware of the possible need for a resolution of any disagreement which may occur. As I perceive it my obligation to assist the parties in reaching a prompt and complete resolution of this impasse I will retain jurisdiction and provide any necessary services until the parties execute a completed Agreement. Should such services be required I will expedite any requisite hearing proceedings.

It has been my intention to fairly and reasonably consider each element of this dispute and to provide a complete resolution of the impasse within the authority conveyed to me under the provisions of law. In doing so I have carefully considered the criteria set forth and have given each its due weight in reaching conclusions. I have not provided some detail as to costs and impact of same on the public because the information available to me did not include sufficient detail to calculate these things with absolute reliability. In addition the economic elements of the award are consistent with the policies of the County as they should have been implemented according to the facts and evidence presented to me at hearing.


Frank A. Mason, Arbitrator

Pennington, Mercer County, New Jersey
April 4, 2002

On this date before me personally came and appeared Frank A. Mason, to me known and known to be the individual described in and who executed the foregoing opinion and award and he acknowledged to me that he executed the same



PAULA CW PRUITT
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Dec. 10, 2005