

P.E.R.C. NO. 2012-18

STATE OF NEW JERSEY
BEFORE THE PUBLIC EMPLOYMENT RELATIONS COMMISSION

In the Matter of

CITY OF CAMDEN,

Appellant,

-and-

Docket No. IA-2009-065

THE INTERNATIONAL ASSOCIATION
OF FIREFIGHTERS, LOCAL 788,

Respondent.

SYNOPSIS

The Public Employment Relations Commission affirms an interest arbitration award that sets the terms and conditions of employment for a successor contract between the City of Camden and the International Association of Firefighters, Local 788.

This synopsis is not part of the Commission decision. It has been prepared for the convenience of the reader. It has been neither reviewed nor approved by the Commission.

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Respondent.

Appearances:

For the Appellant, Brown and Connery, LLP (William M. Tambussi, of counsel)

For the Respondent, Kroll Heineman LLC (Raymond G. Heineman, of counsel)

DECISION

On August 23, 2011, the City of Camden appealed from an interest arbitration award involving a unit of fire fighters represented by the International Association of Firefighters, Local 788.^{1/} The arbitrator issued a conventional award, as he was required to do. N.J.S.A. 34:13A-16d(2). A conventional award is crafted by an arbitrator after considering the parties

^{1/} This appeal was initially processed to meet the 30-day time requirement pursuant to N.J.S.A. 34:13A-16f(5)(a). A draft decision vacating the Award and remanding it to a new arbitrator was presented at the Commission's September 22, 2011 meeting. Because that draft decision did not gain a majority vote of the Commission, this alternative draft was presented at the Commission's next regularly scheduled meeting on October 27, 2011.

final offers in light of the nine statutory factors. This decision affirms the award.

Procedural and Factual History

The parties collective negotiations agreement expired on December 31, 2008, and the arbitrator was appointed by mutual request of the parties on April 29, 2009. The arbitrator first met with the parties in August 2009. On October 15, a mediation session was conducted to assist the parties with exchanging positions on non-economic issues. In November, a new Mayor was elected and the City requested an adjournment of the mediation session scheduled for November 24. On December 15, another mediation session was conducted. Award at 1 - 3.

In 2002, the City began operating under the Municipal Rehabilitation and Economic Recovery Act ("MRERA"), N.J.S.A. 52:27BBB-1 et seq. Under MRERA, the City is recognized as a distinct municipality facing severe distress and suffering a dramatic shortfall of revenue. The City's property tax revenue was approximately 20 million dollars and was matched against budget demands exceeding 170 million dollars. MRERA transferred the oversight of all of the City's operations and functions from local officials to a Chief Operating Officer appointed by the Governor. In January 2010, MRERA's application to the City was amended from "rehabilitation to recovery." The City's Mayor assumed the powers of the Chief Operating Officer, who was no

longer on site with veto power over the budget. However, such veto power was transferred to the Commissioner of the Department of Community Affairs. Award at 19 - 21, 46.

The City requested an adjournment of the first and second interest arbitration hearings scheduled for January 14 and February 26, 2010 based on the new State administration taking office. On March 9, the first interest arbitration hearing was conducted. In May, the arbitrator toured the City with IAFF representatives to visit firehouses, inspect work conditions, observe training sessions, and to become acquainted with specialized firefighting equipment. Also in May, the City submitted an economic proposal that reflected severe cuts to compensation and benefits. The IAFF also submitted a proposal and noted that the unit was already behind a 3.75% increase received by the City's police officers in 2009. The parties agreed to submit their respective economic proposals to the arbitrator to issue a non-binding recommendation for voluntary settlement. On November 17, the arbitrator issued a recommended settlement which was accepted by the IAFF but rejected by the City as beyond its fiscal means. Award at 3 - 10.

Final interest arbitration hearings were scheduled to commence on February 1, 2011, however, the City requested an adjournment to adequately prepare its case. A mediation session was conducted on February 9th. The arbitrator scheduled another

interest arbitration hearing for February 28th, and the City requested a three-month adjournment until the City passed the 2011 budget. The arbitrator denied the request, and the City filed an interlocutory appeal of his ruling.

On April 12th, the City submitted its final proposal, and on April 18th, the final interest arbitration hearing was conducted. At that hearing, the City's Director of Finance testified. Award at 11. He testified that beginning in 2010 State aid and other forms of aid to the City had significantly decreased and the City has been put on a path to become more self-sufficient. He also testified as to the City's significant costs stemming from pension and health care benefits and the payment of cumulative leave balances. He stated that in January 2011, the City implemented personnel layoffs of 108 civilian employees, 67 firefighters, and 168 police officers. In his recollection there had never been layoffs of public safety personnel in the past. 31 firefighters were returned to work when the City received \$2.5 million dollars from the South Jersey Port for 2011.^{2/} \$500,000 returned an additional 15 firefighters to work for the balance of 2011. 16 additional firefighters were returned to work through a \$5.1 million dollar grant received from the Federal Emergency Management Agency. The condition of

^{2/} 50 police officers were also returned to work from the money received from South Jersey Port.

accepting the FEMA grant was that whatever staffing levels were in place at the time the grant application was made had to be maintained. Award at 46 - 49.

The Parties Final Proposals

A. The City's Proposals

The following represents the City's final proposals:

- Five year contract term;
- Effective July 1, 2011, all salaries and step increases for the term of the agreement shall be frozen;
- Effective December 31, 2011, elimination of longevity payments for current and future employees.
- Effective May 22, 2010, all employees shall contribute 1.5% of their base salary toward the cost of health insurance benefits, and effective July 1, 2011, the employee shall be responsible for 30% of the total cost of health insurance benefits (medical and prescription);
- Effective July 1, 2011, a \$15,000 cap for payment upon retirement for unused sick, vacation and holiday leave;
- A requirement that vacation time must be taken in the year earned. Effective January 1, 2009 and applied retroactively to all vacation time accrued after December 31, 1996, vacation days not utilized or otherwise affirmatively deferred by the City shall expire without compensation at

the end of the following calendar year after said days are earned;

- Effective January 1, 2009 and applied retroactively to all holiday time accrued after December 31, 1996, holidays carried over and not utilized shall expire without compensation at the end of the following calendar year after said days are earned;
- Reduction from 13 to 11 paid holidays;
- Insertion of a Management Rights clause.
- Limit injury leave to incapacity or inability to work occurring within one year giving rise to the injury or sickness;
- Language setting forth that the City is not required to create or maintain light-duty assignments where such assignments do not exist or are not efficient to the operations of the Department.

B. IAFF's Proposals

IAFF submitted the following final proposals:

- Increase wages for all employees by 3.75% for 2009, 2.5% for 2010, 2.5% for 2011 and 4% for 2010;
- For employees hired before January 1, 2009, accumulation of vacation and holiday time shall be capped at the amount of time on the City's records as of December 31, 2008. For employees retiring prior to the execution of the Agreement,

accumulated vacation or holiday time prior to December 31, 2008 shall be paid in full upon retirement.

- Employees shall receive payment for unused accumulated sick leave at the time of retirement up to \$15,000 or the amount accumulated by the employee, whichever is greater;
- Increase co-payments for generic prescriptions to \$10.00 and brand name prescriptions to \$17.00;
- Effective upon the execution of the agreement, employees shall contribute 1.5% of their bases salary as a contribution for health insurance and increase co-payments for doctor' visits to \$10.00.

The Arbitrator's Award

On August 14, 2011, the arbitrator issued his Opinion and Award. The terms of the Award are as follows:

- Wage increases of 2.5% as of January 1, 2009, and 2.0% as of January 1, 2010, 2011 and 2012. The 2009, 2010 and 2011 increase shall be implemented immediately, however, retroactive wage payments shall be made only to January 1, 2011 based on the modifications to the salary guide as of that date^{3/};

^{3/} Footnote 57 on page 52 of the Award details how to calculate the base wage rate for retroactive salary payments intended by the Award for all steps and pay rates outlined in Schedule A of the collective negotiations agreement which expired on December 31, 2008.

- Increase co-payments for generic prescriptions to \$10.00 and brand name prescriptions to \$17.00;
- Effective upon the execution of the agreement, employees shall contribute 1.5% of their bases salary as a contribution for health insurance and increase co-payments for doctor' visits to \$20.00.
- Effective January 1, 2010 and except for present employees employed prior to January 1, 2009, a cap on accumulated sick time of \$15,000;
- As of January 1, 2009, employees may accumulate 15 vacation days to be carried over in the following year, but for no longer than the next year unless deferred by written notice to the employee by the Department and then the accumulated days shall expire at the end of the following calendar year if not used. For employees hired before January 1, 2009, accumulated vacation days shall be capped at the amount of time on the City's records as of December 31, 2008, and such employees shall to permitted to utilize such time prior to retirement. For employees retiring prior to the execution of the Agreement the accumulated vacation time prior to December 31, 2008 shall be paid in full upon retirement.

The City's Arguments on Appeal and IAFF's Response

On August 23, 2011, the City appealed the award. The City asserts that the award is not based on substantial credible evidence in the record. Further, the City asserts that the arbitrator failed to apply the statutory factors, and violated the standards in N.J.S.A. 2A:24-8 by misapplying the law regarding health insurance contributions, naming the State as a party to the arbitration, and having a bias in favor of the union that originated during the mediation process.

The union responds that the arbitrator based his award on substantial credible evidence in the record. It further asserts that the arbitrator gave due weight to the statutory factors; the arbitrator did not exceed his authority by naming the State as a party to the arbitration and acted impartially in reaching his award.

The Statutory Requirements and Legal Standards for Reviewing Interest Arbitration Awards

N.J.S.A. 34:13A-16g requires that an arbitrator shall state in the award which of the factors are deemed relevant, satisfactorily explain why the others are not relevant, and provide an analysis of the evidence on each relevant factor. The statutory factors are as follows:

- (1) The interests and welfare of the public
. . . ;
- (2) Comparison of the wages, salaries,
hours, and conditions of employment of

the employees with the wages, hours and conditions of employment of other employees performing the same or similar services and with other employees generally:

(a) in private employment in general . . . ;

(b) in public employment in general . . . ;

(c) in public employment in the same or comparable jurisdictions;

(3) the overall compensation presently received by the employees, inclusive of direct wages, salary, vacations, holidays, excused leaves, insurance and pensions, medical and hospitalization benefits, and all other economic benefits received;

(4) Stipulations of the parties;

(5) The lawful authority of the employer . . . ;

(6) The financial impact on the governing unit, its residents and taxpayers . . . ;

(7) The cost of living;

(8) The continuity and stability of employment including seniority rights . . . ; and

(9) Statutory restrictions imposed on the employer. . . .

[N.J.S.A. 34:13A-16g]

The standard for reviewing interest arbitration awards

is well established. We will not vacate an award unless the appellant demonstrates that: (1) the arbitrator failed to give “due weight” to the subsection 16g factors judged relevant to the resolution of the specific dispute; (2) the arbitrator violated the standards in N.J.S.A. 2A:24-8 and -9; or (3) the award is not supported by substantial credible evidence in the record as a whole. Teaneck Tp. v. Teaneck FMBA, Local No. 42, 353 N.J. Super. 298, 299 (App. Div. 2002), *aff’d o.b.* 177 N.J. 560 (2003), citing Cherry Hill Tp., P.E.R.C. No. 97-119, 23 NJPER 287 (¶ 28131 1997). Because the Legislature entrusted arbitrators with weighing the evidence, we will not disturb an arbitrator’s exercise of discretion unless an appellant demonstrates that the arbitrator did not adhere to these standards. Teaneck, 353 N.J. Super. at 308-309; Cherry Hill.

Arriving at an economic award is not a precise mathematical process. Given that the statute sets forth general criteria rather than a formula, the treatment of the parties’ proposals involves judgment and discretion and an arbitrator will rarely be able to demonstrate that an award is the only “correct” one. See Borough of Lodi, P.E.R.C. No. 99-28, 24 NJPER 466 (¶ 29214 1998). Some of the evidence may be conflicting and an arbitrator’s award is not necessarily flawed because some pieces of evidence, standing alone, might point to a different result. Lodi.

Therefore, within the parameters of our review standard, we will defer to the arbitrator's judgment, discretion and labor relations expertise. City of Newark, P.E.R.C. No. 99-97, 25 NJPER 242 (¶ 30103 1999). However, an arbitrator must provide a reasoned explanation for an award and state what statutory factors he or she considered most important, explain why they were given significant weight, and explain how other evidence or factors were weighed and considered in arriving at the final award. N.J.S.A. 34:13A-16g; N.J.A.C. 19:16-5.9; Lodi.

Analysis

The arbitrator is statutorily mandated to provide independent analysis on each of the statutory factors. N.J.S.A. 34:13A-16g. The arbitrator provided a lengthy summary of the procedural history and the various arguments advanced by the parties regarding each of the statutory factors. In the portion of the Award entitled "Conclusion", the arbitrator began with acknowledging the City's dire financial condition and the critical functions served by the firefighters and the ever increasing challenges they face. He primarily focused on the statutory factors addressing the interests and welfare of the public and the continuity and stability of employment. N.J.S.A. 34:13A-16g (1), (8).

At the Commission's September 22, 2011 meeting, a draft decision was presented. That draft decision was moved, seconded,

and discussed, but did not gain a majority vote of the Commission.^{4/} The majority of the Commission found the arbitrator's opinion regarding the City's dependence on State aid to be a realistic assessment of the City's financial position. The majority of the Commission also found that the arbitrator provided adequate legal analysis on the statutory factors. Therefore, this decision affirms the Award.^{5/6/}

ORDER

The interest arbitration award is affirmed.

BY ORDER OF THE COMMISSION

Commissioners Jones, Krengel and Wall voted in favor of this decision. Chair Hatfield and Commissioner Bonanni voted against this decision. Commissioner Eskilson recused himself. Commissioner Voos was not present.

ISSUED: October 27, 2011

Trenton, New Jersey

^{4/} See the Appendix to this decision.

^{5/} We note that the Award did not address the relevance of the new schedule of employee health care contributions set forth in P.L. 2011, c. 78. That law became effective on June 28, 2011 and increases employees' share of health benefit premiums and pension contributions. Employees working from an expired agreement as of the effective date of the law are subject to the phase in of the new schedule of employee health care contributions. P.L. 2011, c. 78, § 42. The Award in this case was issued on August 14, 2011. As of June 28, 2011, unit members were working pursuant to the terms of a contract that expired on December 31, 2008.

^{6/} Given the arbitrator's naming the State as a party to the Award and his finding that the State should participate in funding the Award, we find it necessary to put the Attorney General's Office on notice of the Award and this decision.

Appendix

- City of Camden and the International Association of Firefighters, Local 788, Draft Decision presented to the Commission at its September 22, 2011 meeting.

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DECISION

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^{1/} This appeal has been processed to meet the time requirements of N.J.S.A. 34:13A-16f(5)(a).

Procedural and Factual History

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- Language setting forth that the City is not required to create or maintain light-duty assignments where such assignments do not exist or are not efficient to the operations of the Department.

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IAFF submitted the following final proposals:

- Increase wages for all employees by 3.75% for 2009, 2.5% for 2010, 2.5% for 2011 and 4% for 2010;
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- Increase co-payments for generic prescriptions to \$10.00 and brand name prescriptions to \$17.00;

^{3/} Footnote 57 on page 52 of the Award details how to calculate the base wage rate for retroactive salary payments intended by the Award for all steps and pay rates outlined in Schedule A of the collective negotiations agreement which expired on December 31, 2008.

- Effective upon the execution of the agreement, employees shall contribute 1.5% of their bases salary as a contribution for health insurance and increase co-payments for doctor' visits to \$20.00.
- Effective January 1, 2010 and except for present employees employed prior to January 1, 2009, a cap on accumulated sick time of \$15,000;
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The City's Arguments on Appeal and IAFF's Response

On August 23, 2011, the City appealed the award. The City asserts that the award is not based on substantial credible evidence in the record. Further, the City asserts that the arbitrator failed to apply the statutory factors, and violated

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The union responds that the arbitrator based his award on substantial credible evidence in the record. It further asserts that the arbitrator gave due weight to the statutory factors; the arbitrator did not exceed his authority by naming the State as a party to the arbitration and acted impartially in reaching his award.

The Statutory Requirements and Legal Standards for Reviewing Interest Arbitration Awards

N.J.S.A. 34:13A-16g requires that an arbitrator shall state in the award which of the factors are deemed relevant, satisfactorily explain why the others are not relevant, and provide an analysis of the evidence on each relevant factor. The statutory factors are as follows:

(1) The interests and welfare of the public
. . . ;

(2) Comparison of the wages, salaries, hours, and conditions of employment of the employees with the wages, hours and conditions of employment of other employees performing the same or similar services and with other employees generally:

(a) in private employment in general . . . ;

(b) in public employment in general . . . ;

(c) in public employment in the same or comparable jurisdictions;

(3) the overall compensation presently received by the employees, inclusive of direct wages, salary, vacations, holidays, excused leaves, insurance and pensions, medical and hospitalization benefits, and all other economic benefits received;

(4) Stipulations of the parties;

(5) The lawful authority of the employer . . . ;

(6) The financial impact on the governing unit, its residents and taxpayers . . . ;

(7) The cost of living;

(8) The continuity and stability of employment including seniority rights . . . ; and

(9) Statutory restrictions imposed on the employer. . . .

[N.J.S.A. 34:13A-16g]

The standard for reviewing interest arbitration awards is well established. We will not vacate an award unless the appellant demonstrates that: (1) the arbitrator failed to give "due weight" to the subsection 16g factors judged relevant to the resolution of the specific dispute; (2) the arbitrator violated the standards in N.J.S.A. 2A:24-8 and -9; or (3) the award is not

supported by substantial credible evidence in the record as a whole. Teaneck Tp. v. Teaneck FMBA, Local No. 42, 353 N.J. Super. 298, 299 (App. Div. 2002), aff'd o.b. 177 N.J. 560 (2003), citing Cherry Hill Tp., P.E.R.C. No. 97-119, 23 NJPER 287 (¶ 28131 1997). Because the Legislature entrusted arbitrators with weighing the evidence, we will not disturb an arbitrator's exercise of discretion unless an appellant demonstrates that the arbitrator did not adhere to these standards. Teaneck, 353 N.J. Super. at 308-309; Cherry Hill.

Arriving at an economic award is not a precise mathematical process. Given that the statute sets forth general criteria rather than a formula, the treatment of the parties' proposals involves judgment and discretion and an arbitrator will rarely be able to demonstrate that an award is the only "correct" one. See Borough of Lodi, P.E.R.C. No. 99-28, 24 NJPER 466 (¶ 29214 1998). Some of the evidence may be conflicting and an arbitrator's award is not necessarily flawed because some pieces of evidence, standing alone, might point to a different result. Lodi. Therefore, within the parameters of our review standard, we will defer to the arbitrator's judgment, discretion and labor relations expertise. City of Newark, P.E.R.C. No. 99-97, 25 NJPER 242 (¶ 30103 1999). However, an arbitrator must provide a reasoned explanation for an award and state what statutory

factors he or she considered most important, explain why they were given significant weight, and explain how other evidence or factors were weighed and considered in arriving at the final award. N.J.S.A. 34:13A-16g; N.J.A.C. 19:16-5.9; Lodi.

Analysis

Given the above cited standards for reviewing interest arbitration awards, we conclude that the award must be vacated and remanded to a new arbitrator. A disservice was imposed upon the parties by the rendering of an Award that could not withstand review on appeal, particularly in light of the extensive procedural history in this case.

As a general matter, the fatal flaw with the Award is that the arbitrator did not do what he is statutorily mandated to do - - to provide an independent analysis of each of the relevant statutory factors and then explain how the evidence and each relevant factor was considered in arriving at his award.

N.J.S.A. 34:13A-16(g). If he found a particular factor to be irrelevant, he should have provided reasoning as to why that factor was found to be irrelevant. While he described at length the arguments of the parties, he failed to address such arguments and explain why he accepted or rejected a specific argument. Borough of Paramus, P.E.R.C. No. 2010-35, 35 NJPER 431 (¶149 2009); County of Passaic, P.E.R.C. No. 2010-42, 35 NJPER 451 (¶141 2009). The arbitrator provides some discussion which

supports his findings regarding the interests and welfare of the public and the continuity and stability of employment, but the award is bereft of any meaningful discussion of the arbitrator's analysis of the evidence regarding comparison of wages, salaries, hours and conditions of employment; overall compensation presently received; stipulations of the parties; lawful authority of the City; financial impact on the City, its residents and taxpayers; cost of living; and the statutory restrictions imposed on the City. N.J.S.A. 34:13A-16(g). On remand, all of the statutory factors must be adequately addressed and analyzed.

The arbitrator's summary of the procedural history and the various arguments advanced by the parties regarding each of the statutory factors constitutes the largest part of the Award. In the portion of the Award entitled "Conclusion", the arbitrator begins with acknowledging the City's dire financial condition and the critical functions served by the firefighters and the ever increasing challenges they face. He summarizes the testimony of the City's Director of Finance. He states generally that he found such testimony to be reliable. However, he also provides what amounts largely to improper discourse when he made the following findings:

But, even if this arbitrator were to consider "freezes in wages (or zero increases), together with deep reductions in previously negotiated contractual benefits, would the City of Camden be in a stable budgetary position or, more relevant to this interest

arbitration, would the City find financial stability if granted nearly 20% reductions or concessions in the Firefighters salary budget? With extensive experience in interest arbitration and the ability to review a record, this Arbitrator is not convinced that any level of concessions by the Firefighters or an award by the arbitrator would place the City in a stable budgetary position. Why? Because despite the efforts of the City Administration, the IAFF and the residents of Camden, there is a fourth party to this arbitration which, in reality, controls the fiscal condition of the City. It is the State of New Jersey (for purposes of reference herein, Governor Chris Christie and the State Legislature) which funds the budget shortfall and controls the ultimate amount of money to aid the City and grant Camden its operational ability. And irrespective of the level of success in progressing toward economic stability or independence, it is the final decision of the State of New Jersey, achieved through the State budget process (Governor and Legislature) and aid programs administered primarily through the Commissioner of the Department of Community Affairs, which permits the City to operate. As such, the State of New Jersey is the fourth party to this Interest Arbitration.

[Award at 45]

The arbitrator continued on this same path later in his conclusions when he found as follows:

To alleviate any misunderstanding or confusion, this Arbitrator does not contend that these increases fit within the City's ability to pay from its present tax base nor could be funded by greater bargaining unit concessions. Indeed, the City alone does not have sufficient funds to meet the modest, but reasonable, increases granted. But, when the record was finalized and the evidence reviewed, this arbitrator reached three clear and realistic conclusions: 1) The City must

continue an appropriate level of fire services, irrespective of budgetary shortages, in order to protect the City of Camden, its residents and property; 2) Firefighters should be granted reasonable increases in base wages, together with the obligation of paying for a portion of their health coverage, as their responsibilities continue to grow and their duties expand; and, perhaps most important, 3) The State must affirmatively provide for the City of Camden what the City cannot provide for itself.

[Award at 58]

The above quoted passages in which the arbitrator names the State as a fourth party to the proceedings and finds that the State should participate in funding the Award are illustrations of the pontificating that set the tone of most of his conclusions. The City and IAFF are the only parties to this Award, and the arbitrator exceeded his jurisdiction in naming the State as a fourth party to the Award. Without the City's ability to fund the Award, its terms are rendered meaningless. Further, the arbitrator's naming the State as the fourth party to the Award and finding that the State should participate in funding it is inconsistent with his general finding that the testimony of the City's Director of Finance was reliable. That testimony established that beginning in 2010 when MRERA's application to the City was amended from "rehabilitation to recovery," State aid and other forms of aid to the City were greatly reduced, and the City was attempting to become more self-sufficient. The arbitrator also improperly opined about longevity pay and the development and history of accumulated benefit days and why such

a benefit is advantageous to public employers. What the arbitrator did not do was apply each of the statutory factors and provide adequate independent analysis to support the terms of the Award. N.J.S.A. 34:13A-16(g).

The other significant flaw in the Award was the arbitrator's failure to address the relevance of the new schedule of employee health care contributions set forth in P.L. 2011, c. 78. That law became effective on June 28, 2011 and increases employees' share of health benefit premiums and pension contributions. Employees working from an expired agreement as of the effective date of the law are subject to the phase in of the new schedule of employee health care contributions.^{4/} P.L. 2011, c. 78, § 42. The Award in this case was issued on August 14, 2011. As of June 28, 2011, unit members were working pursuant to the terms of a contract that expired on December 31, 2008.

Since this matter is being remanded to a new arbitrator on the ground that the arbitrator failed to apply the criteria specified in N.J.S.A. 34:13A-16g, we need not reach the question of whether N.J.S.A. 2A:24-8 has been violated.

^{4/} Unit members are currently contributing 1.5% of their base salaries toward the cost of health insurance premiums. If an existing 1.5% of base salary contribution is greater than the first year of the phase in at 25% of the new contribution rate, the 1.5% of base salary contribution continues to be paid until the new contribution rate is greater. P.L. 2011, c. 78, § 42; Local Finance Notice 2011-20, pgs. 4 - 5.

ORDER

The interest arbitration award is vacated and remanded to a new arbitrator for issuance of a new award in accordance with the directives set forth in this decision. The new award is due within 45 days of the date of this decision.

BY ORDER OF THE COMMISSION

Chair Hatfield and Commissioner Bonanni voted in favor of this decision. Commissioners Jones, Krengel, Voos and Wall voted against this decision. Commissioner Eskilson recused himself.

ISSUED:

Trenton, New Jersey