#### STATE OF NEW JERSEY BEFORE THE PUBLIC EMPLOYMENT RELATIONS COMMISSION

In the Matter of

COUNTY OF ATLANTIC,

Appellant,

-and-

Docket No. IA-2007-057

FOP LODGE #34,

Respondent.

#### SYNOPSIS

The Public Employment Relations Commission vacates and remands an interest arbitration award to the arbitrator for issuance of a new decision that further explains the weight given to the employer's evidence on the issue of comparability for the award of the \$1200 equity adjustment, salary guide restructuring, Holiday Pay/Holidays, shift differentials and retiree health benefits. The arbitrator must also identify what evidence he relied on to determine the County could fund the award without exceeding its lawful authority and provide a more thorough explanation of the cost of living factor.

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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Appearances:

For the Appellant, Eric M. Bernstein & Associates, L.L.C., attorneys (Deborah J. Bracaglia, of counsel)

For the Respondent, Selikoff & Cohen, PA, attorneys (Keith Waldman, of counsel)

#### DECISION

On April 21, 2010, the County of Atlantic appealed from an interest arbitration award involving a unit of corrections officers represented by FOP Lodge  $#34.^{1/}$  See N.J.S.A. 34:13A-16f(5)(a). The arbitrator issued a conventional award, as he was required to do absent the parties' agreement to use another terminal procedure. N.J.S.A. 34:13A-16d(2). A conventional award is crafted by an arbitrator after considering the parties' final offers in light of the nine statutory factors. We vacate

 $<sup>\</sup>underline{1}/$  The collective negotiations agreement expired on December 31, 2006.

the award and remand it the arbitrator for further explanation and analysis regarding the specific issues identified in this decision. $\frac{2}{2}$ 

#### The Parties' Proposals

#### I. The County's Proposals

The County proposed a four-year agreement from January 1, 2007 through December 31, 2010. The County proposed a new salary quide that would add a step between steps 6 and 7 of the prior agreement to break up the \$12,400 "bubble" existing between those For 2007, the County proposed dollar increases ranging steps. from \$500 to \$800 at steps one through five, that any officers on step 6 move to step 8, and to increase step 8 by \$2600 or 4.8%. In 2008, the County proposed dollar increases ranging from \$500 to \$800 for steps one through seven, with a \$2280 or 4% increase for officers at step 8. In 2009, the County proposed to roll the hazardous duty pay of \$1350 into the base salary for all Correction Officers as well as to increase step 8 by \$2441 or Effective January 1, 2009, the County proposed to reduce 4.1%. time and one-half payment for holidays to straight time and to increase the uniform allowance by  $100.\frac{3}{10}$  For 2010, the County

 $<sup>\</sup>underline{2}$  / We deny the FOP's request for oral argument. The matter has been fully briefed by both parties.

<sup>&</sup>lt;u>3</u>/ The current holiday pay practice is that officers receive by November 15th of each year payment for ten holidays at time and one-half of their daily rate of pay. As the officers (continued...)

proposed dollar increases ranging from \$500 to \$800 for steps one through seven and to increase step 8 by 4%. The County proposed that officers on step 6 would advance two steps and remaining officers would advance one step. The County also proposed the addition of a \$500 stipend for the Special Emergency Response Team (SERT). With regard to overtime, the County proposed that officers would have the option to refuse mandatory overtime two times a calendar year, but not in emergent situations and not on any of the recognized 13 holidays or on Superbowl Sunday.<sup>4/</sup> For eligibility for retiree health benefits, the County proposed that employees must have 25 years or more of service in the State pension plan and a period of full-time service of 25 years in the County at the time of retirement.<sup>5/</sup>

<sup>&</sup>lt;u>3</u>/ (...continued) work in a corrections facility that operates 24/7, officers work on holidays that fall on their regularly scheduled days. When an officer's regularly scheduled work day falls on a holiday, they receive an additional full days pay. (Supplemental Award at 7).

<sup>&</sup>lt;u>4</u>/ The current mandatory overtime practice is that an officer can refuse mandatory overtime one time in a 5 year period. The County asserted that it was encountering shift coverage issues because officers were using holidays and Superbowl Sunday as days they could refuse mandatory overtime. (Supplemental Award at 5 - 6).

<sup>5/</sup> Eligibility for retiree health benefits currently requires an employee to have 25 years or more of service in the State pension plan and a period of full-time service of 15 years in the County at the time of retirement.

#### II. The FOP's Proposals

The FOP proposed a four-year agreement. The FOP sought to add an additional step to the top of the salary guide. For 2007, the FOP sought an increase of 4.43%, a \$2000 increase per step and a \$1200 equity adjustment on the top step. For 2008, it sought an increase of 4.24% and a \$250 equity adjustment on the top step. For 2009, it sought an increase of 4.2% and a \$250 equity adjustment on the top step. For 2010, it sought a 4.25% increase and a \$750 equity adjustment on the top step. It also sought to have longevity amounts increase by \$500 in each year of the Agreement. It proposed that the \$1350 hazardous duty pay be rolled into base pay as of January 1, 2007, the uniform allowance increase to \$1400 in 2007 and an additional \$50.00 per year in 2008 and 2010. It also sought shift differentials for 0730 -1530 hours at \$1250 per year and for 1530 hours-2330 hours at \$2750 per year. Regarding work schedules, it sought to modify the contract to provide for a guaranteed 30 minute uninterrupted lunch/meal period per shift. With regard to overtime, it sought to define "hours worked" to include all hours worked as well as any time on approved leaves of absence, holidays, compensatory time and/or vacation time, as well as to provide officers the option to refuse mandatory overtime two times each year. It also made proposals with regard to which items would be included in base salary for overtime and pension purposes, compensation for

vacation leave and terminal leave, Association rights and privileges, working conditions and safety items, and continuation of benefits.

#### The Arbitrator's Initial Award

On April 2, 2010, the arbitrator issued a 101-page Opinion and Award. After summarizing the parties' proposals and respective arguments on those proposals in detail, the arbitrator awarded a four-year agreement as proposed by the parties with a term of January 1, 2007 through December 31, 2010. The arbitrator awarded a new salary schedule. For 2007, the arbitrator awarded 3% increases to each step except step 7. Step 7 was increased by 4% and a \$1200 equity adjustment was added to that step only. A \$1350 hazardous duty payment was rolled into base pay at each step. All officers on steps 6 and 7 moved to step 8. All percentage adjustments were in addition to the hazardous duty pay and equity adjustment. For 2008, the arbitrator awarded a 3% increase to each step except step 8 which received 4%. For 2009, the arbitrator awarded a 3.5% increase to each step, except step 8 which received 3.75%. For 2010, the arbitrator awarded a 3.5% increase to each step except step 8 which received 4.0%. He also added a new maximum step 9 and all officers on steps 7 and 8 moved to step 9.

The arbitrator also raised the clothing allowance from \$1,250 to \$1,350 and granted all members of the SERT a \$500

stipend, effective January 1, 2009. With regard to unused sick leave, effective January 1, 2007, he increased by \$1,000 at 50% of days (total \$13,000); effective January 1, 2008, increased by \$1,000 at 50% of days (total \$14,000); effective January 1, 2009, increased by \$1,000 at 50% (total \$15,000 at 50% of days) and effective January 1, 2010, changed to \$15,000 at 100% of days. The arbitrator awarded the following provision for overtime:

> An officer shall have the option to refuse mandatory overtime two times (2x) per calendar year without being subject to disciplinary action. Overtime refusal shall apply to Thanksgiving Day, Christmas Day and New Year's Day. Overtime refusal shall not apply to the ten (10) remaining holidays or Super Bowl. This provision shall not apply in emergent situations and whether a situation is deemed emergent shall be determined by the Shift Commander.

With regard to retiree health benefits, the arbitrator found that employees hired on or before December 31, 2006 shall be eligible for retiree health benefits if they have 25 or more years of State pension credit and at least 15 years of full-time service with the County, and that employees hired on or after January 1, 2010 will need at least 25 years of service with the County.<sup>6/</sup> He found that the modification of retiree health benefits as of January 1, 2010 and the elimination of ten holidays from mandatory overtime would reduce the County's

<sup>&</sup>lt;u>6</u>/ The arbitrator later corrected his award to reflect that the health care provision for retirees would be effective December 31, 2009.

overall costs. He also awarded shift differentials of \$.50 per hour for 0730 - 1530 hours and \$.55 per hour for 1530 - 2330 hours. The arbitrator awarded the FOP's proposals with regard to working conditions and safety items, continuation of benefits, and work schedules to provide for a guaranteed 30 minute uninterrupted lunch/meal period per shift.

On May 20, 2010, the County filed an appeal of the award. On June 11, the FOP filed a brief in opposition to the appeal. On August 12, we remanded the award to the arbitrator to issue a supplemental Opinion and Award to clarify the basis for his award of the \$1200 equity adjustment. We also asked him to clarify retiree health benefits eligibility requirements for employees hired in 2007, 2008 and 2009 as well as how acceptance of the mandatory overtime proposal will reduce the County's overall costs. P.E.R.C. No. 2011-8, 36 <u>NJPER</u> 307 (¶117 2010).

#### The Arbitrator's Supplemental Award

On September 1, 2010, the arbitrator issued a supplemental opinion and award. With regard to the \$1200 equity adjustment to step 7 of the salary guide, the arbitrator stated that his determination was made after comparisons to other law enforcement units within the County. He also stated that the equity adjustment was "part of a comprehensive method to add steps to the guide, reduce the \$12,400 bubble step, create a more

equitable salary progression and allow for a more affordable salary guide for the County." $^{2/}$ 

With regard to retiree health benefits, the arbitrator stated that his original award contained a typographical error and that it should have read that employees hired on or before December 31, 2009 (not 2006) shall be eligible for retiree health benefits if they have 25 or more years of pension credit and at least 15 years of full-time service with the County. He clarified that effective January 1, 2010, employees must have 25 or more years of pension credit with the County to be eligible for retiree health benefits.

With regard to how acceptance of the mandatory overtime proposal will reduce the County's overall costs, the arbitrator stated that it was his intent to save the County money by preventing Corrections Officers from calling out on the ten holidays and Superbowl Sunday, thus preventing the County from having to pay overtime to other officers covering those shifts. However, the arbitrator recognized that since the ten holidays

<sup>&</sup>lt;u>7</u>/ The arbitrator noted the difficulty he encountered in restructuring the salary guide. He stated that while the parties agreed that the guide needed to be restructured, they were unable to come to an agreement as to how to modify it. The arbitrator notes that since the term of this Agreement ends on December 31, 2010, the parties are likely currently engaging in successor negotiations. He recommends that in those negotiations the parties "should be addressing a new salary guide and at the same time creating an incremental pattern that is consistent on every single step." (Initial Award at 83 - 84).

are unnamed in the current agreement, it is impossible to determine how the County would be saving money other than on Superbowl Sunday. He then amended the portion of his award pertaining to mandatory overtime as follows:

> On Superbowl Sunday Correction Officers assigned to work cannot call out and utilize that day not to appear at work. That means the stick list  $\frac{8}{}$  is not being utilized or minimally utilized because of long-term absences on that particular day and all assigned employees will be present. If an Officer does call out sick at least (1) day prior to Superbowl Sunday, Superbowl Sunday, and at least one (1) day after Superbowl Sunday, that Officer must produce a physician's statement. Personal days, vacation days and compensatory days cannot be utilized on Superbowl Sunday without prior approval of the Officer's immediate supervisor. Any verified violations of the above will result in disciplinary action against that Officer.

On September 23, 2010, the County filed a supplemental appeal brief. The FOP relied on the reasoning provided in the supplemental award to support its position.

# The Statutory Requirements and Legal Standards for Reviewing Arbitration Awards

<u>N.J.S.A</u>. 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

<sup>&</sup>lt;u>8</u>/ A stick list, also known as the mandatory overtime list, is a list of officers who will be called for overtime if the County is unable to cover the shift on a volunteer basis. (Supplemental Award at 5).

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. . . .

[<u>N.J.S.A</u>. 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. <u>See</u> <u>Borough of Lodi</u>, P.E.R.C. No. 99-28, 24 <u>NJPER</u> 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. <u>City of Newark</u>, P.E.R.C. No. 99-97, 25 <u>NJPER</u> 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. <u>N.J.S.A</u>. 34:13A-16g; <u>N.J.A.C</u>. 19:16-5.9; <u>Lodi</u>. <u>The County's Arguments and the FOP's Responses</u>

The County argues that the arbitrator provided no analysis and/or reasoning as to how the \$1200 equity adjustment helps maintain a stable work force and also did not assess the financial impact of this aspect of the award. The County also argues that the arbitrator failed to consider comparables in awarding the change in retiree health benefits effective as of 2009 as opposed to 2007, shift differentials, and in not awarding its holiday pay proposal. The County also asserts generally that the arbitrator failed to give due weight or provide sufficient analysis about the lawful authority of the employer, the

P.E.R.C. NO. 2011-56 13. financial impact of the governing unit and the cost of living.<sup>9/</sup>

The FOP responds that the equity adjustment was awarded based on a comparable with PBA No. 243. It further asserts that the arbitrator provided sufficient analysis on the comparables submitted by the parties with regard to the items awarded. Ιt also contends that the arbitrator provided extensive analysis on the statutory factors of lawful authority of the employer, the financial impact of the governing unit, and the cost of living.

#### Analysis

#### I. The \$1200 Equity Adjustment/Salary Guide Restructuring

The arbitrator stated that the \$1200 equity adjustment was a necessary part of his broader plan to create a new salary quide. He found that the addition of the \$1,200 equity adjustment "was part of a comprehensive method to add steps to the quide, reduce the \$12,400 bubble step [between steps 6 and 7], create a more equitable salary progression and allow for a more affordable quide for the County." He also found that if he had not added the \$1,200 equity adjustment, the \$12,400 bubble

<sup>9/</sup> The County also asserts the arbitrator did not provide sufficient analysis to justify the \$100 increase in the clothing allowance or the portions of the award relating to working conditions and safety items. However, the arbitrator awarded the County's proposals on both of these issues. The County further contends that the arbitrator did not provide sufficient analysis to justify the payment for unused sick leave and work schedules, but there is no indication in the record that the County opposed these proposals by the FOP.

step would have grown to an "unwieldy number." He states that out of the 176 officers in the bargaining unit, 94 officers are not at maximum. As those 94 officers progress through the salary guide they all would have received the benefit of the bubble step. (Supplemental Award at 4). However, the arbitrator should provide specific reasoning as to how or why the equity adjustment was necessary to modify the guide and achieve better progression between the steps.

Relying on N.J.S.A. 34:13A-16g(2), which addresses comparisons to comparable jurisdictions, the arbitrator determined that the \$1200 equity adjustment was warranted. The comparables used were other law enforcement employees in Atlantic County - - specifically Sheriff's Officers represented by PBA Local 243 (for which voluntary settlement was reached on April 21, 2006) and Prosecutor's Officers rank and file and superior officers represented by PBA Local 77 (for which voluntary settlement was reached for both units in 2009). (Supplemental Award at 1 - 2). For PBA Local 243, a \$1200 equity adjustment was added to the top step of the guide. For both superior officers and rank and file officers represented by PBA Local 77, \$2,800 was added to the top step and then a percentage of that \$2,800 was added to each individual step as an equity adjustment. (Supplemental Award at 2 - 3). The arbitrator found that although it is indisputable that corrections officers are not

paid at the same level as the Sheriff's officers represented by PBA Local 243, Sheriff's officers represented by PBA Local 243 received a \$1,200 equity adjustment to the top step of the salary guide and therefore a \$1,200 equity adjustment was necessary to maintain a stable work force for the members of FOP Lodge #34. (Award at 83, Supplemental Award at 4). In discussing why the FOP's proposal for a \$2000 increase to each step in 2007 was not awarded, the arbitrator noted that a pattern between PBA Local 243 and FOP Lodge #34 ceased to exist because PBA Local 243 had made a substantial concession in giving up hospital duties. The rank and file officers and the superior officers represented by PBA Local 77 agreed to make health insurance contributions of 1% of their base salary and to take three furlough days in 2009 and three furlough days in 2010. The arbitrator noted that "even though health insurance is not on the table with FOP Lodge  $34^{10/}$ , the fact remains that the salary increases were negotiated by PBA 77 because of give-backs. There are no give-backs from FOP Lodge 34." (Initial Award at 85). There is an unexplained inconsistency in the award in the comparability analysis used by the arbitrator. He justified the award of the \$1200 equity adjustment based on comparables to PBA Local 243 and PBA Local 77, but at the same time acknowledges that those units made

<sup>&</sup>lt;u>10</u>/ FOP Lodge 34 members do not contribute toward their health insurance premiums.

significant concessions and that those types of concessions are not present in this award. The rationale behind this comparability analysis should be further explained.

The arbitrator made findings as to how the maximum salary for the FOP ranked against comparable employees. He indicated that his determination on this issue was relevant to his awarding the equity adjustment. (Initial Award at 73). The County argues that in considering how the FOP's maximum salary ranks against other comparables, the arbitrator relied only on a chart that the FOP provided that included three central New Jersey counties. The County argues that those three central New Jersey counties should have been excluded from the arbitrator's analysis since salaries and the cost of living are higher in central New Jersey. The arbitrator should explain his treatment of the County's argument on this issue relating to comparability. <u>Borough of</u> <u>Paramus</u>, P.E.R.C. No. 2010-35, 35 <u>NJPER</u> 431 (¶141 2009).

## II. Holiday Pay/Holidays

The County asserts that the basis of their proposal to reduce holiday pay from time and one-half to straight time is that a review of collective negotiations agreements covering other County employees reveals that the only other employees paid time and one-half for holidays are the correction superiors and the correction sergeants represented by FOP Lodge 112. The County contends that all other County employees, including those

represented by PBA Local 77, PBA Local 243, CWA Local 1040, the United Workers, JNESCO, AFSCME and Teamsters are paid straight time for holidays. Moreover, the County asserts that in all agreements submitted as comparables outside the County, correction officers receive straight time for holidays. In rejecting the County's proposal on this issue, the arbitrator simply stated "the County's position [with regard to holiday pay] cannot be sustained because they had bargained that in the past and even though we have different economic circumstances now, nothing has been presented to me to have that removed from the equation of benefits." (Initial Award at 87 - 88). The fact that the County has bargained for straight time for holiday pay in the past, standing alone, does not provide adequate justification as to why the arbitrator rejected the County's proposal on this issue. The arbitrator must provide explanation and analysis regarding his treatment of the comparables submitted on this issue. Paramus.

Also regarding the issue of holidays, the arbitrator found that the "elimination of ten holidays from mandatory overtime will reduce the County's overall costs. (Initial Award at 93). However, in his supplemental award, the arbitrator acknowledged that other than on Superbowl Sunday, the mandatory overtime proposal does not result in any cost savings to the County.

(Supplemental Award at 7). The arbitrator must indicate how, if at all, this later acknowledgment affects his Initial Award.

## III. Shift Differentials

The arbitrator found that FOP 34 unit members are the only County employees who work shifts and do not receive any additional compensation. (Award at 87). The County asserts that no other County employees, law enforcement or otherwise, receive shift differentials. The arbitrator must address this factual dispute. Moreover, Chart G in the record reflects that out of the nine comparable counties submitted by the FOP on this issue, four received shift differentials. The County asserts that out of the sixteen comparables it submitted, six included a shift differential, however this information is not reflected in the award. The arbitrator must address the comparability evidence that was submitted regarding shift differentials. <u>Paramus</u>. IV. Retiree Health Benefits

The County asserts that the arbitrator failed to consider comparables when awarding the retiree health provision effective December 31, 2009 rather than at the start of the Agreement. It asserts that its proposal is within the parameters of <u>N.J.S.A</u>. 40A:10-23, which gives the County discretion to require up to 25 years of service with the employer in order to receive retiree health benefits. The County asserts that a review of other collective negotiations agreements in the County includes the

requirement that an employee have 25 years of service with the County. It also asserts that review of comparables in other jurisdictions reveals that many jurisdictions do not provide retiree health benefits at all, and in those jurisdictions that do provide such benefits, the requirement of 25 years of county service is standard. There is no discussion in the award as to why the retiree health benefits provision was awarded as of December 31, 2009 as opposed to the start of the agreement. The arbitrator should provide his rationale for the timing of this aspect of the award.

# V. Consideration of Lawful Authority of the Employer and Financial Impact of the Award

The County generally asserts that the arbitrator failed to provide sufficient analysis of lawful authority of the employer, financial impact of the award, and the cost of living. The arbitrator commented generally on the current status of the economy when he found:

> The financial circumstances facing the County, as well as any other County and/or municipality in the State of New Jersey, are not at the level of being draconian, but they are severe. The State of New Jersey is facing a huge deficit and the economy in the County is in a downward spiral. The economic stimulus packages presented by the Obama administration have not created the types of jobs people believe are necessary to keep this County out of a depression.

[Initial Award at 91]

On that same issue, he made the following findings when explaining why he rejected the FOP's proposal to increase longevity payments:

> The FOP's longevity proposals were unreasonable. We are facing a severe economic problem in the Country with double-digit unemployment and over a \$1 billion dollar deficit in the State budget. State employees were furloughed and State aid has been cut to municipalities and school districts. Compound those issues with the pension debacle and it becomes evident some issues cannot be achieved in today's economic climate.

[Initial Award at 71]

Nonetheless, he ultimately found that the County does have the financial resources to fund a settlement comparable to other settlements within the County. However, he also found that this award is not comparable to the other settlements referenced in the award because there have not been similar concessions made by the FOP. With regard to the financial impact of the governing unit, the arbitrator found that there was no evidence that would require the County to exceed its lawful authority and impose any financial constraints on County residents. He found that the data submitted showed that the County "has a very sound, well thought out financial management program and has created and maintains appropriate reserves." (Initial Award at 92). The award contains a lengthy summary of financial expert witness testimony regarding the County's financial condition. (Initial

Award at 88 - 91). However, the arbitrator should identify what part of the witnesses' testimony he relied on in making his findings that the County could fund the award without exceeding its lawful authority and should also reconcile his findings about the general severe state of the economy with the various economic aspects of this award.

#### VI. Consideration of the Cost of Living

According to the arbitrator, the cost of living as reported on February 12, 2010 by the U.S. Department of Labor, Bureau of Labor Statistics, for Philadelphia-Wilmington-Atlantic City, were are follows: 3.9% for 2006, 2.2% for 2007, 3.4% for 2008 and less than 1% for 2009. The arbitrator found that "the awarded base salary increases, while in some instances [are] marginally higher than the increase in the cost of living, particularly in 2007 and 2008, actually provided for an increase in real earnings and must be measured against the continued delivery of quality service by the County's Corrections Officers." The increases to base salary are more than marginally higher than the increase in cost of living, in 2007, particularly after considering the roll-in of hazardous pay and the equity adjustment into base salary. The increases are also substantially higher than the cost of living in 2009. The arbitrator should correct this discrepancy and provide a more thorough explanation of the relative correlation between cost of living and the awarded increases.

In light of all of the issues identified above, we vacate the award and remand it to the arbitrator to make findings consistent with the specific directives set forth above. In following our directives and providing an explanation of his consideration of the evidence and arguments not addressed in the prior award, the arbitrator should analyze all of evidence anew and rebalance all of the statutory factors to the extent necessary to fully comply with <u>N.J.S.A</u>. 34:13A-16g. <u>Borough of</u> Bogota, P.E.R.C. No. 99-20, 24 NJPER 453 (¶29210 1998).

#### ORDER

The award is vacated and remanded to the arbitrator for reconsideration and issuance of a new award. The new award must be issued within 30 days of this decision.

#### BY ORDER OF THE COMMISSION

Chair Hatfield, Commissioners, Bonanni, Colligan, Eaton and Eskilson voted in favor of this decision. None opposed. Commissioner Voos abstained. Commissioner Krengel was not present.

ISSUED: February 3, 2011

Trenton, New Jersey