

**STATE OF NEW JERSEY  
PUBLIC EMPLOYMENT RELATIONS COMMISSION**

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In the Matter of Interest Arbitration Between :

**COUNTY OF CAMDEN** :  
"the County or Employer" :

and :

**CAMDEN COUNTY CORRECTIONS** :  
**OFFICERS, PBA LOCAL 351** :  
"the PBA or Union" :

**INTEREST ARBITRATION  
DECISION  
AND  
AWARD**

Docket No: IA-2003-033

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Before: Robert M. Glasson, Arbitrator

**APPEARANCES**

**FOR THE EMPLOYER:**

Angela J. Genova, Esq., Of Counsel  
Lynn S. Degen, Esq., On the Brief

**FOR THE PBA:**

Richard D. Loccke, Esq.  
Of Counsel & On the Brief  
Loccke & Correia P.A.

## **Background & Procedural History**

The County of Camden (the “Employer” or “County”) and the Camden County Corrections Officers, PBA Local 351 (the “PBA” or “Union”) are parties to a collective bargaining agreement (the “CBA”) which expired on December 31, 2002. Upon expiration of the CBA, the parties engaged in negotiations for a successor agreement. Negotiations reached an impasse, and the PBA filed a petition with the New Jersey Public Employment Relations Commission (“PERC”) on January 10, 2003, requesting the initiation of compulsory interest arbitration. The parties followed the arbitrator selection process contained in N.J.A.C. 19:16-5.6 that resulted in my mutual selection by the parties and my subsequent appointment by PERC on March 17, 2003 from its Special Panel of Interest Arbitrators.

Formal interest arbitration proceedings were invoked and hearings were conducted on September 24-25, 2003 and November 18, 2003 when the parties presented documentary evidence and testimony in support of their positions. Both parties filed post-hearing briefs. The hearing was declared closed on February 11, 2004 upon receipt of the briefs. The parties agreed to extend the time for the issuance of the award.

This proceeding is governed by the Police and Fire Public Interest Arbitration Reform Act, P.L. 1995, c. 425, which was effective January 10, 1996. While that Act, at N.J.S.A. 34:13A-16f(5), calls for the arbitrator to render an opinion and award within 120 days of selection or assignment, the parties are permitted to agree to an extension.

The parties did not agree on an alternate terminal procedure. Accordingly, the terminal procedure is conventional arbitration. I am required by N.J.S.A. 34:13A-16d(2) to “separately determine whether the net annual economic changes for each year of the agreement are reasonable under the eight statutory criteria in subsection g. of this section.”

## Statutory Criteria

The statute requires the arbitrator to:

decide the dispute based on a reasonable determination of the issues, giving due weight to those factors listed below that are judged relevant for the resolution of the specific dispute. In the award, the arbitrator or panel of arbitrators shall indicate which of the factors are deemed relevant, satisfactorily explain why the others are not relevant, and provide an analysis of the evidence on each factor.

(1) The interests and welfare of the public. Among the items the arbitrator or panel of arbitrators shall assess when considering this factor are the limitations imposed upon the employer by P.L. 1976, c 68 (C.40A:4-45.1 et seq.).

(2) Comparison of the wages, salaries, hours, and condition of employment of the employees involved in the arbitration proceedings with the wages, hours and condition of employment of other employees performing the same or similar services with other employees generally:

- (a) In private employment in general; provided, however, each party shall have the right to submit additional evidence for the arbitrator's consideration.
- (b) In public employment in general; provided, however, each party shall have the right to submit additional evidence for the arbitrator's consideration.
- (c) In public employment in the same or similar jurisdictions, as determined in accordance with section 5 of P.L. 1995, c. 425 (C. 34:13A-16.2); provided, however, each party shall have the right to submit additional evidence concerning the comparability of jurisdictions for the arbitrator's consideration.

(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. Among the items the arbitrator or panel of arbitrators shall assess when considering this factor are the limitations imposed upon the employer by the P.L. 1976, c. 68 (C.40A:4-45.1 et seq.).

(6) The financial impact on the governing unit, its residents and taxpayers. When considering this factor in a dispute in which the public employer is a county or municipality, the arbitrator or panel of arbitrators shall take into account to the extent the evidence is introduced, how the award will affect the municipal or county purposes element, as the case may be, of the local property tax; a comparison of the percentage of the municipal purposes element, or in the case of a county, the county purposes element, required to fund the employees' contract in the preceding budget year with that required under the award for the current local budget year; the impact of the award for each income sector of the property taxpayers on the local unit; the impact of the award on the ability of the governing body to (a) maintain existing local programs and services, (b) expand existing local programs and services for which public moneys have been designated by the governing body in a proposed local budget, or (c) initiate any new programs and services for which public moneys have been designated by the governing body in its proposed local budget.

(7) The cost of living.

(8) The continuity and stability of employment including seniority rights and such factors not confined to the foregoing which are ordinarily or traditionally considered in the determination of wages, hours and conditions of employment through collective negotiations and collective bargaining between the parties in the public service and in private employment.

### **Last Offers of the Parties**

#### **PBA's Last Offer**

1. **Term of Agreement:** January 1, 2003 to December 31, 2005.
2. **Wage Increase**
  - (1) The PBA proposes a three (3) year contract with an across-the-board five (5%) percent increase on each successive January 1<sup>st</sup>.
  - (2) The PBA proposes a Senior Officer Differential step be added at twenty (20) years of service. The value of the Senior Officer Differential would be one-half (½) the difference between the top step Correction Officer and top step Correction Sergeant. Service is meant to be defined consistent with service under the Police and Fire Pension Statute.

3. **Longevity**
  - a. The PBA proposes a deletion of the “maximum” column.
  - b. The PBA proposes that all longevity benefits be folded in and paid along with regular compensation in the regular payroll process. As such the longevity value would be utilized in all calculations.
4. **Holidays** - The PBA proposes that the entire holiday benefit be folded in and paid along with regular payroll and used for all computation purposes. When an Employee works on a holiday they would continue to be paid the overtime rate, as currently provided.
5. **Uniforms** - The PBA proposes that when the uniform is modified by the Employer then the Employer directed changes will be paid for by the Employer.
6. **Vacation Procedure** - The PBA proposes that two sergeants and four correction officers be granted time off for each shift each day of the calendar year for the Main Jail, one sergeant and two correction officers for Admissions, one sergeant and one correction officer for Administration, and one correction officer for Maintenance. The only exception to this rule will be for over riding emergent operational needs. Where the employer claims over riding emergent operational needs then the employer shall have the burden of establishing same.
7. **Work Rules Procedure** - The PBA proposes the addition of a Section 2 to this article which would provide that:

“Proposed new rules or modifications of existing rules governing working conditions shall be negotiated with the majority representative before they are established.”
8. **Rights of Agent** - The PBA proposes that the PBA president be placed on regular day shifts and permitted to work full time on Association business.
9. **Grievance Procedure Definition** - The PBA proposes a new grievance procedure to replace that set forth in Section 1. The proposed language is:

#### **Grievance Procedure**

1. For purposes of this Agreement, the term “grievance” means any complaint, difference or dispute between the Employer and any Employee with respect to the interpretation, application, or violation of any of the provisions of this Agreement or any applicable rule or regulation or policies, agreements or administrative decisions

affecting any employees(s) covered by this Agreement. Minor disciplinary matters (less than six (6) days of fine or suspension or equivalent thereof) shall be included in this Grievance Procedure.

2. Grievances shall be processed in accordance with the following procedure:

**Step One**

Grievance shall be submitted in writing to the office of the Chief of Investigations within ten (10) days following the date upon which the grievance occurred. The grievance shall thereupon be discussed at a meeting consisting of the employee involved, the PBA representative, and the Chief of Investigations or his/her designee. The meeting shall be conducted within fourteen (14) days from the date of the grievance is submitted unless the PBA and the Chief of Investigations agree to conduct the meeting at a later date.

**Step Two**

If a grievance is not settled at the grievance meeting described in Step 1, above, the PBA may, within five (5) days from the grievance meeting, appeal the grievance in writing to the Employer, who shall respond to said grievance in writing within 10 days of his/her receipt of the grievance appeal.

**Step Three**

If a grievance appeal under Step 2, above, is denied, and only if the grievance concerns the interpretation, application or alleged violation of the terms of this Agreement, the PBA may submit the grievance to arbitration before an arbitrator appointed by the Public Employment Relations Commission. Such a request for arbitration must be submitted within five (5) days of the date upon which the grievance appeal is denied by the Employer. Grievances concerning policies or management decisions affecting employees may not be submitted to arbitration.

3. The designated arbitrator shall be bound by the provisions of this Agreement and applicable laws of the State of New Jersey and of the United States. The arbitrator shall be restricted to the question of the contract interpretation presented. The arbitrator shall not have the authority to add to, modify subtract from, or alter in any way the provisions of this Agreement or amendment or supplement thereto. In rendering his written decision, the arbitrator shall indicate in detail his findings of fact and reasons for making the award. The decision and award of the arbitrator shall be final and binding upon the parties, and upon the grieving employees. The costs of the services of the

arbitrator shall be borne equally between the parties. Any other expenses, including but not limited to the presentation of witnesses, shall be paid by the party incurring same. Each arbitration shall be limited to one grievance unless otherwise agreed in writing by the parties. Only the Employer or the PBA may submit a grievance to arbitration under this Article.

4. Any time lost by a grievant in the arbitration procedure shall not be compensated by the Employer.

**10. Shift Bid Procedure**

The PBA notes that the parties continued direct negotiations on this issue during the hearings. The PBA asks that I retain jurisdiction pending final resolution by the parties.

**County's Last Offer**

1. **Term of Agreement** January 1, 2003 through December 31, 2005.
2. **Wages** -
  - A. Effective January 1, 2003, 4% across-the-board wage increase.
  - B. Effective January 1, 2004, 4% across-the-board wage increase.
  - C. Effective January 1, 2005, 4% across-the-board wage increase.
3. **Legal Defense** - The County agrees to provide legal defense for employees covered under this agreement in any action or legal proceeding arising out of the employee's performance of his/her duties other than for conduct contrary to County or Institutional policy, for defense in a disciplinary proceeding instituted against him/her by the County or for any criminal charges brought against the employee by any law enforcement or investigatory agency.
4. **Article V, § 8** - The Warden reserves the right to schedule days off to avoid overtime for gun qualifying range time or training.
5. **Health Benefits** - The effective date is thirty (30) days after ratification by the Board of Chosen Freeholders
  - Prescription Co-Pay

<u>Base Salary</u>	<u>Co-Pay</u>
\$30,000 to \$50,000	\$6 Brand Name (retail or mail order) \$2 Generic (retail or mail order)

	\$7 For any maintenance drug if not in Mail Order after 3 months
\$50,000 to \$70,000	\$8 Brand Name (retail or mail order) \$4 Generic (retail or mail order) \$10 For any maintenance drug if not in mail Order after 3 months
Over \$70,000	\$11 Brand Name (retail or mail order) \$6 Generic (retail or mail order) \$10 For any maintenance drug if not in mail Order after 3 months

- For any drug that the employer's third party administrator (TPA) deems excessively expensive and has a less expensive brand name equivalent, the employee will pay an extra \$15 co-pay in addition to the relevant co-pay. The TPA will publish a list of such medications once a year.
- New employees will pay a portion of their health and prescription benefits through payroll deduction according to the following schedule:

<u>Years of Service</u>	<u>Percentage</u>
1	20%
2	20%
3	20%
4	17%
5	17%
6	13%
7	13%
8	10%
9	10%
10	10%
11	10%
12	0%

All deductions are limited to a maximum 5% of an individual's base gross pay.

- Implement a Section 125 Premium Conversion Plan (pre-tax new employee contributions)
- Standardize coverage in all plans for dependents up to age 19 if not in school and age 23 if in school. Dependents who are permanent dependents as a result of disability are covered for the life of the employee.



- No opt out for spouses or relatives where one is a dependent if both are on the County payroll and would otherwise be eligible for benefits. The two employees must choose one type of coverage only.
- Opt out amounts will be as follows:

<u>Type of Coverage Opted Out</u>	<u>Amount</u>
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**Prescription Benefits**

From Family to no coverage	\$ 90
From Parent/Child to no coverage	55
From Single to no coverage	35
From Family to Parent/Child	40
From Family to Single	60
From Parent/Child to Single	25

**Health Benefits**

From Family to no coverage	330
From Parent/Child to no coverage	200
From H/W to no coverage	250
From Single to no coverage	120
From Family to Parent/Child	150
From Family to H/W	90
From Family to Single	220
From Parent/Child to Single	80
From H/W to Single	140

- The Spouse of an employee who dies in active service (not in the line of duty) shall be entitled or not entitled to health and prescription benefits at a cost depending on the years of service as stated in the collective bargaining agreement for retirees.
- As of the signing of the agreement, retirees will pay a portion of health and prescription premiums according to the following schedule:

<u>Years of County Service</u>	<u>Participant Co-Pay</u>
Under 10	COBRA Only
10 to under 15 years	30%
15 to under 20 years	25%
20 to under 25 years	15%
25 years and over	0%

Retirees eligible for benefits are only those:

- A. Who have retired on a disability pension. Those retirees on an ordinary disability pension will pay or not pay according to the above scales; or
  - B. Who have retired after 25 years or more of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement. Such eligible retirees will pay or not pay according to the above scales; or
  - C. Who have retired and reached the age of 62 years or older with at least 15 years of service with the employer. Such eligible retirees shall pay or not pay according to the above scales.
- Increase co-pay for HMOs and PPO to \$10 for primary care visits and \$15 for a specialist.
  - Employees will be responsible for any extra costs incurred by the County if there is a change in their life status (divorce, death of spouse, etc.) that would affect their health and prescription benefits and they do not report it to the Insurance Division within 90 days of the event.

### **The PBA's Position and Arguments**

The following are the PBA's arguments in relation to the statutory criteria on the outstanding economic and noneconomic issues.

### **Interests and Welfare of the Public**

According to the PBA, a Correction Officer is one of the most difficult in all of law enforcement. The Correction Officers' "public" is made up of a population of persons deemed by our legal system unfit to walk the streets. If, one hopes, that in the general population only a fraction of 1% are unfit to be free, such is not the case with a Correction Officer. At least 100% of the Correction Officers' inmate population has been deemed unfit to enjoy freedom. The reason for the use of the term "at least" is because of extreme overcrowding in the penal system, the result is that many persons who should be behind bars are not. There is simply not enough room. As a result, only the most serious offenders and

the greatest dangers to the public are part of the general inmate population. While other members of the law enforcement community, such as patrol officer, can walk their beat knowing that the overwhelming majority of persons they pass are upstanding citizens and knowing further that there are many opportunities for positive relationships, community policing, D.A.R.E. programs, sponsoring of civic groups, *etc.*, such is not the case with a Correction Officer. The Correction Officer represents society and law enforcement generally to the inmate. The Correction Officer walks his or her beat in uniform and is the focal point of the attention of those in the inmate population. Constant and unwavering vigilance is not just a preferred practice for the Correction Officer; rather it is a means of ensuring safety and survival.

It is the mission of the Camden County Department of Corrections to provide a safe and secure environment for both the public and the inmate population. Generally stated, the "Mission Statement" as was quoted in the document in evidence (P-1) provides as follows:

"The Camden County Department of Corrections will provide safe, secure, and humane custody to all inmates committed to our care by the Courts and other law enforcement agencies that meet acceptable standards and protects the community."

Chart 1 below ranks Camden County among the twenty-one New Jersey State Counties with respect to reportable criminal activities.

**Chart 1**  
**Criminal Activity in Camden County**  
**Showing Camden County's Relative**  
**Position Among All 21 New Jersey Counties**

<b><u>Criminal Activity Category</u></b>	<b><u>Camden County's Rank among All 21 New Jersey Counties</u></b>
Total Arrests	2
Murder	4
Robbery	2

Aggravated Assault	2
Burglary	3
Motor Vehicle Theft	4
Assault	1
Arson	4
Drug Violation	2
Total Arrests - Male	2
Total Arrests - Female	1
Total Juvenile Arrests - Male	1
Total Juvenile Arrests - Female	1
Narcotics Possession	3
Narcotics Sale/Possession	4
Total Offenses	3
Violent Crimes	3

Chart 1 shows that Camden County is at the top or near the top in virtually every reportable area listed out of the twenty-one New Jersey counties. The Camden County Corrections Department has the second largest inmate population in the State of New Jersey based upon the most recent figures available at hearing (August 28, 2003) (P-5).

**Chart 2**  
**Comparison Inmate Population in New Jersey**  
**Counties as of August 8, 2003 (See P-5)**

<u>County</u>	<u>Inmate Population as of</u> <u>August 28, 2003</u>
Essex	2593
<b>CAMDEN</b>	<b>2104</b>
Hudson	1938
Passaic	1671

Middlesex	1258
Atlantic	1253
Monmouth	1199
Union	1161
Mercer	888
Cumberland	592
Burlington	541
Ocean	413
Gloucester	314
Salem	287
Morris	266
Somerset	238
Cape May	217
Warren	153
Sussex	141
Hunterdon	58

According to the PBA, only the larger and much more populous County of Essex has a higher inmate population. The PBA notes that Essex County has multiple urban centers such as Newark, Irvington, East Orange, Orange and a population of more than 750,000. Camden County has only one urban center, Camden City, many rural communities, and a total population of approximately 500,000.

The PBA contends that the Correction facility and planned inmate population has not kept up with the burgeoning inmate population and correctional needs. The current Correctional facility was originally opened in February of 1988 with an initial total population of 340 prisoners. The planning for the then new facility was for a total population capacity of 450 prisoners. Initially, there were empty cells. Before that time a lawsuit had

been filed by prisoners who claimed their constitutional rights were violated in the then existing facility which was housed in an area of Camden City Hall. United States District Court Judge Harold Ackerman at that time had levied substantial fines, including \$1 million in fines and a \$250,000 "bail kitty" for indigent inmates. According to a then current newspaper article, the Federal Court had limited the jail population by Court Order to not more than 354 male inmates at a time.

The Camden County Correction Center is substantially overcrowded. P-6 is a graph plotting the prison inmate population from the opening in 1988 to the date of the hearing in late 2003. The facility is rated for 1,015 persons, however the current population 2,104 persons. Camden County Corrections Officers are handling an inmate population which 204% of the rated population for the facility. P-6 shows that the Camden facility is the most severely overpopulated facility in the State. No other Correction facility is even close to the 204% over capacity found in Camden. P-6 also shows that there is a moderate to a very slight change in the Officer Census whereas the Inmate Census has quintupled. All of this has a direct impact on the Officers and the daily functions and environment within the facility. Correction Officer Douglas Grundlock, testified at hearing about the history of the inmate population as compared with the rated capacity of the facility and the resultant overcrowding. Grundlock testified regarding P-4 and the census and inmate population since 1988.

Q. Now, this indicates that 340 prisoners was the initial census that were moved into the facility initially?

A. Yes.

Q. Following the opening of the facility in '88, have there been some changes with respect to the structure and census of personnel inside?

A. Yes.

Q. First initially built to house how many inmates?

A. The initial census I believe was 450.

Q. The question was the initial capacity.

A. Capacity is 450.

Q. And the initial census is indicated in this article as 340, so initially there were some empty facility cells?

A. Yes.

Q. And was this based initially on single occupancy?

A. Yes.

Q. Subsequent to this period just discussed, was there a time where they - facility went double bunking?

A. Yes.

Q. What is double bunking? Explain it to the Arbitrator, please.

A. It's the cells - there's - there was a small - there's a bunk on the bottom. What they did was they placed another bunk on top of that mounted to the wall so that there is now one bunk on the bottom and one bunk on the top.

Q. The original design of this cell or cell area was for single inmate, single bunk, and then when you had double bunking, you double a capacity of the cell?

A. Yes.

Q. This is a period of time when you had double bunking. Did there come a time when you went to triple bunking?

A. Yes.

Q. And what time frame are you in with triple bunking?

A. Early '90's.

Q. Once again, triple bunking means a third bunk in the cell?

- A. No, it does not.
- Q. Explain, please.
- A. There would be one bunk on the bottom, another bunk on the top and one person would be on the floor.
- Q. So there was never a third bunk, but there was a mattress on the floor.
- A. There is a mattress on the floor.
- Q. During the day, is that mattress rolled up and stored?
- A. Yes.
- Q. The size of the cell wasn't changed. There is a toilet in the cell, is that correct, with a sink?
- A. Yes.
- Q. Nothing has changed with respect to those facilities?
- A. No.
- Q. Did the structure of the jail later get changed? That is, was there some added room or added capacity?
- A. Yes.
- Q. Please explain what was added.
- A. We added the modular units.
- Q. Explain what a modular unit is.
- A. The modular units were actually like a trailer facility that was attached to the building.
- Q. So these are structures that were put here to expand the capacity?
- A. Yes.
- Q. And about when did this occur?
- A. Approximately 1997.



Q. Now, when the modulars were added, how much additional capacity was added by these new structures?

A. Approximately 150.

Q. Subsequent to the modulars being added and bringing us up to date, what is the typical number of inmates kept in a cell?

A. The typical number of inmates in the cell now is quadruple double bunking where there are two (2) inmates on the floor and two (2) inmates in the bunks.

Q. What is the size of this cell?

A. I don't know.

Q. Well has it - is it changed over the years?

A. I believe it's 5x8.

Q. And today we have two (2) bunks, as described, two (2) mats on the floor, and those mats are then rolled up during the day and stored?

A. Yes.

Q. With respect to these inmates - by the way are we talking about male inmates here?

A. Yes. (Tr. at 14, 19).

The PBA submits that the impact of this enormous overcrowding is clear. A cell originally meant to hold one inmate is now holding four inmates. Modular units have been attached and the general population has grown almost sevenfold from its original inmate population in 1988. Clearly, all of the facilities are strained and the environment inside the facility is more serious, dangerous and demanding.

According to the PBA, the results of substantial overcrowding have a direct impact on the demeanor of the inmate population and potential safety hazards for both inmate and Correction Officer. Officer Grundlock's continued testimony:

Q. With respect to the male inmates, what impact, if any, have you observed to exist from quadruple double bunking?

A. Its caused - it's one of our major problems. We just have one bathroom facility, the sinks. Most of our major incidents come over something that has happened in the cell. You have these close four (4) people in close quarters. The overcrowding issue in the cell is just multiplied. It's gotten even to the point of inmates assaulting the Officers. The attitude that we deal with everyday has just - from the four (4) - the quadruple double bunking has gone - it's a lot of stress on the Officer and the inmate.

Q. If an inmate goes to use the toilet facility in the middle of the night, they are stepping over people sleeping on the floor?

A. Stepping over people. There is a problem with people urinating on each other. We have had several incidents where somebody just - they got up in the middle of the night, you hear the commotion, you go upstairs, they are fighting. One guy is beating on another guy. Happens frequently. (Tr. at 19, 21).

Officer Grundlock's testimony regarding female inmates:

Q. What is the current situation with respect to female inmates?

A. The female inmates are now being housed in a common area outside of the cell. They are not locked in their common area. They sleep on floors out in the common area. Mattresses - so we have the floor, the bunk, and then you have females throughout the whole floor of the common area.

Q. As a result of the females - let me back up a bit. With respect to the female inmates, these persons have been arrested and incarcerated for a number of times for a variety of activities that gets one put here, but it cuts across the gender line; does it not?

A. Yes, it does.

Q. Does open bunking of female inmates in the common area have an impact on the security of the inmates and the Correction Officers.

A. Yes. When we have a problem in that area we can lock in the inmates that we have cells. The other inmates are still left on the floor. It's a very big security issue.

Q. Are you able to segregate groups or individual females as you would if you had them in cells?

A. No. (Tr.at 20-21).

The PBA describes the correction facility as a security and safety pressure cooker. All correction facilities are dangerous places. The Camden County facility appears to be one of the most dangerous. Numerous articles were placed into evidence regarding inmate problems and Officer injuries. While this may be a "part of the job" it is an extreme facet of employment. Correction Officers go among the inmate population without guns and without deadly force of any kind. It only works because of the superior skills and talent of the correction staff. This includes the Warden to the newest Correction Officer.

The PBA introduced testimony establishing valid barometers to measure the stress level and intense atmosphere within the correction facility that is the daily workplace of these bargaining unit members. One of these barometers is the program of inmate discipline called "Court line". Court line has been the subject of significant increases in recent years showing increased disciplinary problems with the inmates and a heightened level of intensity. This is directly related to overcrowding. Officer Grundlock's continued testimony:

Q. With respect to overcrowding, again, and recent changes, is there a program or system in existence called "Court line"?

A. Yes.

Q. Does it exist?

A. Yes.

Q. Please explain to the Arbitrator what a Court line is.

A. The Officer files a complaint in written form charging the inmate with various infractions. It could go anywhere from stabbing all the way down to not keeping a clean cell. These charges are then forwarded to the Court line Officer and he hears the charges.

- Q. Is this an internal administrative procedure with the facility?
- A. Yes.
- Q. Now, was there a time when this type of inmate infraction or these types of inmate infractions were handled in the ordinary course of business without a format of a Court line?
- A. Without the format of a Court line.
- Q. Without formal hearings and written complaints?
- A. No.
- Q. What changes, if any, have occurred in recent years with respect to Court line?
- A. Court line we used to have one day a week. Court line now is every day of the week.
- Q. When it was one day a week, how many infractions or cases were considered then as compared to how many cases in a typical Court line daily roster today?
- A. I don't know. The number of cases got to the point where they had to have Court line every day instead of one day a week.
- Q. What is the current average or approximate number of Court line complaints?
- A. 1,200 per year. (Tr. at 31).

Another barometer of Correction Officer stress is mandatory overtime for Correction Officers. Officer Grundlock explained this impact and its result on the Correction Officers in his testimony.

- A. Mandatory overtime is when at the end of your shift, they notify you and let you know that you have to stay for overtime.
- Q. Is that sometimes referred to as a "stick"?
- A. Yes.

Q. And what can you tell the Arbitrator with respect to the frequency of this circumstance occurring and any changes that may have occurred? Is it the same, more frequent, or what?

A. Very frequent right now. You can count on it at least two times in a two week period of having to stay overtime.

Q. This is not volunteered, but rather directed?

A. Correct.

Q. And is this frequency, as you've described it, the same as it was in prior years, or is there a change? Has it lessened in its frequency, increased, or what?

A. It has increased in frequency.

Q. Your observation and your personal knowledge, can you explain why there are more sticks today than there were in the recent past?

A. The attrition of people just leaving the facility, Officers leaving the facility altogether, the turnover rate, the amount of inmates that we have, that's basically it. (Tr. at 28, 29).

The PBA contends that the stress level on Correction Officers is such that even their personal time is not their own. Frequent "sticks" have a negative impact on the Officer. The PBA notes that "sticks" are in addition to voluntary overtime. The expectation of working one's normal bi-weekly pay period on scheduled time as it appears on the original roster is virtually nonexistent. Everyone knows that their schedule is subject to change, almost on a few hours' notice due to under staffing and overcrowding. Officer Grundlock testified regarding E-6, a graph:

Q. On the right side of the page, time off, at an all time low, and then there is a statement about time not being available from now until the end of the year on the two and three shifts. Please explain what this means.

A. It's actually on the first and second shift.

Q. First and second?

A. Yes. There is no time off on either shift. There is not one day that you can put in for on the first or second shift for the rest of the year. That has been the case since July.

Q. How does this come to pass? I mean, you have some time on the books you earned through one method or another.

A. Right.

Q. And if the Officer wishes to take some time off and the - from the period of July through the end of December?

A. No. No time available. Certain set amount of Officers are off each shift and you can put the slips in there and they are denied. (Tr. 29, 30).

The stress level on these Correction Officers is clear. Schedules are only a rough approximation of what their actual workload may be. Work extension is not just voluntary but results in multiple "sticks" each bi-weekly period. In addition, under staffing and workload demands are such that even earned and vested time off cannot be utilized. To think that time off cannot be used from July through the end of the year due to this workload demand on an understaffed facility certainly appears unacceptable. This is the environment in which the Camden County Correction Officer works on a daily basis.

The PBA asserts that Camden County Correction Officers' workload has been dramatically increased in recent months due to additional assignments and obligations. There is a regular presence of Camden County Correction personnel at the Camden City Police Department Headquarters. There they do pre-admission work which previously might have been done by Camden City Police Officers. These officers regularly work at Headquarters and work with the Camden City Police. These Officers report directly to Camden City Police Headquarters and work out of an office there. (Tr. at 34, 35). Other regular agency interactions with the Camden County Correction Officers include the Camden County Prosecutor's Office, State Police, and of course, special assignments with the

Camden City Police Department and other municipal agencies. Camden Officers have been assigned to such diverse duties as an assignment to the Teamsters election in Collingswood at the Teamsters' Hall as security. Correction Officers from the Camden County facility were also utilized during the Republican National Convention which was held in Philadelphia. Specific assignments have also included work in Atlantic City and Gloucester County. Details of these specific assignments, the interaction with other law enforcement agencies and the expanded duties of Corrections' personnel outside the facility are set forth at detail in the record (Tr. at 36-39). All Camden County Correction Officers receive regular annual training on weapons and achieve certification pursuant to the Police Training Commission Guidelines. (Tr. at 40).

The PBA cites the testimony of Camden County Corrections Warden David S. Owens. Warden Owens is a career Correction Officer with more than thirty years experience. His expertise and innovative policies are no doubt one of the main reasons that this correction facility remains viable particularly under the enormous stresses and overcrowding. The PBA notes that Warden Owens exhibited complete support and respect for his Correction staff in his testimony.

Q. Am I correct in interpreting your testimony as being very supportive of the profession of Correction Officers as a career path?

A. Yes, sir.

Q. You certainly - based on your experience - understand and appreciate not only the value of the career path but the importance to the facility of having people who are career dedicated?

A. I would agree with that, yes, sir.

Q. Now, the Camden County Correction facility, in which we are now located, is a busy place, correct?

A. Yes, it is a very busy place.

- Q. And is it a difficult job corrections generally, and Camden specifically but the guys do a good job, don't they?
- A. I would agree with that statement.
- Q. When I say "Do a good job", they are professional and productive through every rank; Correction Officers through yourself?
- A. Yes, sir, I would say that we are an excellent team.
- Q. And this is a difficult job well done?
- A. It's a difficult job.
- Q. Earlier there were some references to the low number of Officer injuries and the low number of Code Browns and other such *indicia* of emergencies. That's desirable, is it not?
- A. Yes sir it is.
- Q. Because as Officers as part of their training and certainly part of the goal of this institution is not to get injured?
- A. Absolutely, it's a good thing.
- Q. So whatever training or protocols may be within the facility, whatever the facility permits structurally, Officer injuries are fortunately low?
- A. Yes.
- Q. And that is a good thing?
- A. That is a good thing. (Tr. at 190, 191).

The respect and support of the Warden and Administrative staff was clear through the Warden's testimony and his general assessment of the workforce and the busy job as it exists. Of particular note is the excellent relationship between Administration and the Correction Officer workforce as was testified to by the Warden himself.

- A. Yes. I am blessed with a good relationship with the Union and we meet and we solve problems before they become big ones.



Q. And the hallmark of your administration since you have been here is to show respect for the Correction Officer and also, if I may, receive respect from the staff?

A. Yes sir.

Q. And out of that professional relationship such differences as they may occur - in any large workplace they can occur - you see it as a very strong positive that your staff, your subordinates and your supervisors up to yourself are able to work out virtually all problems?

A. Yes, sir. (Tr. at 192).

The PBA asserts that the synergy that exists at this workplace is unique, and that this synergy inures to the public benefit. The PBA submits that the interests and welfare of the public are well served by the Camden Correction Officers. More particularly, the interests and welfare of the public is well served by the entire Correction staff from Correction Officer to Warden. This is a job of extreme difficulty. The overcrowding is the worst in the State of New Jersey. The inmate population is growing more difficult to deal with as time passes. "Court line" is a regular event on a daily basis. Officer stress is increased due to overcrowding and a workload and work obligation that changes, sometimes on only a moment's notice. All of this is accomplished with a workforce that is essentially static. The number of Correction Officers today is only slightly different from the number of Correction Officers of more than a decade ago. It is the inmate population that has burgeoned. The PBA points out that not only are these Correction personnel maintaining a population of Camden County inmates, there are also State inmates, INS inmates and other County inmates. The PBA notes that for these additional inmates, fees are charged and money is generated to the general treasury of the County. The PBA asserts that the interests and welfare of the public are well served by the Camden County Correction Officer.

**Comparison of Wages and Terms  
and Conditions of Employment**

According to the PBA, the base pay and total compensation program for employees in this bargaining unit is far below the compensation program of their peers in law enforcement. Whether the Camden Correction Officer is compared with law enforcement personnel generally, State Correction personnel, or the Camden City Police Department where Correction Officer bargaining unit personnel are regularly stationed and work on a day-to-day basis beside, the Camden County Correction Officers' compensation program comes in last.

The PBA submits that the maximum salary rate is, not only below average, it is last among all law enforcement agency contracts placed in evidence by the PBA. Chart 3 below compares the 2002 maximum pay rates for agencies placed into evidence by the PBA.

**Chart 3**  
**Base Pay Rate Comparison - 2002 Base**  
**(Based on PBA Exhibits)**

<b><u>2002 Base Rate</u></b>	
Camden Co. Park Police	\$65,729
Camden Sheriffs	\$59,916
Camden Prosecutor PBA	\$73,671
Monmouth Correction	\$60,000
Mercer Correction	\$62,079
Cherry Hill	\$60,120
Camden City	\$61,336
Passaic Correction	\$65,623
STFA	\$72,659
Mercer Sheriff	\$60,951
Ocean Sheriff Correction	\$62,350

N.J. State Correction	\$60,981
<b>Average</b>	<b>\$63,785</b>
<b>Camden Correction Officer</b>	<b>\$52,138</b>
Camden Correction Officer	(\$11,647)
Compared to Average	(22.3%)

The PBA notes that it would take more than a 22% adjustment effective on the 2002 rate alone just to bring the Camden County Correction Officer up to average. The Camden Correction Officer is so far back that it would take more than the PBA has asked for over the entire contract term proposed to catch average just in the year 2002 alone. The Camden Correction Officer has the heaviest workload in the State of New Jersey. He is in the most active law enforcement jurisdiction in the State. New duties have been added including working outside of the institution on a regular basis with local Police Officers. At every turn and in every circumstance when other law enforcement officers are working side-by-side with the Camden Correction Officer, the Camden Officer is not just last, he is not even close. When the Correction Officer works regularly at the Camden City Police Department doing pre-admission processing, work which had previously been done by a Camden City Police Officer, a Correction Officer is compensated almost \$10,000 less than his peer Police Officer. When a Camden Correction Officer is guarding prisoners and working side-by-side with the Camden County Prosecutor's Investigator, then the Camden Correction Officer sees his pay as more than \$21,000 less than his peer law enforcement officer. When the Camden County Correction Officer is working along with the New Jersey State Police providing support at the Republican National Convention he finds himself earning approximately \$21,000 less than his peer law enforcement officer. The PBA contends that this is why Camden Correction Officers are leaving for other jobs with regularity.

One element of compensation found generally throughout the law enforcement community is a longevity program. The PBA points out that the Camden County Correction Officers' compensation for longevity ranks last. The current longevity program has plateaus of 2%, 3%, 4%, 5%, 6% and 7% maximum upon completion of 20 years of service. On its face, the longevity program appears competitive in the law enforcement community.

The PBA contends that the Camden County Correction Officer longevity program is an illusion because there is a limitation in the form of a "max". At each level there is a dollar maximum. The 2% plateau after 5 years should equal \$1,043. However, the maximum is \$700. The sixth year plateau provides for a 3% longevity benefit which calculates to \$1,564. However, the maximum is \$800. The seventh year plateau provides for a 4% longevity benefit. This benefit calculates, using the 2002 base rate again, to \$2,086. The maximum however that can be paid under the benefit is \$900. The same is true at the 10-year level, which permits a 5% benefit which should pay \$2,607. However, the Correction Officer is limited to the artificial maximum of \$1,100. The fifteen-year plateau provides for a 6% benefit which should calculate to \$3,128 against the 2002 rate, however it is limited to a payment of \$1,300. The final illusion occurs at 20 years of service. The longevity program appears to max at 7% at the twentieth year. This should calculate to \$3,650. The maximum permitted to be paid under this program is \$1,500. The balance of \$2,150 is part of the illusion. The actual \$1,500 represents just over 2% maximum value. That percentage value drops each year that pay rates increase. The PBA submits that the longevity benefit is nominal. Chart 4 below compares the longevity programs in the law enforcement agencies in evidence.

**Chart 4**  
**Comparison of Longevity Benefits**  
**Based on PBA Exhibits in Evidence**

Agency	Max Longevity Benefit	Longevity Formula
Camden Sheriff	\$4,194	7% on Completion of 20 yrs.
Camden Correction SOA (Lt.)	\$8,269	Early Report Time Folded In
Camden Correction SOA(Cpt.)	\$5,281	Early Report Time Folded In
Camden County Prosecutor	\$2,520	6% at 20 yrs., \$2520 max.
Mercer Correction	\$2,107	Max at 20 yrs.
Cherry Hill	\$5,561	9.25% at 25 yrs.
Camden City	\$6,747	Entering 24 <sup>th</sup> yr. Max at 11%
Passaic Corrections	\$6,562	10% Max at 25 yrs.
Mercer Sheriff	\$2,200	Max at 24 yrs.
Cape May*		14% at 40 yrs.
Ocean Sheriff/Correction	\$4,988	8% of Base at 32 yrs.
<b>Average</b>	<b>\$4,843</b>	
<b>Camden Correction</b>	<b>\$1,500</b>	Max \$1,500
Camden Correction	(\$3,343)	
Comparison to Average	(223%)	

\* Employer exhibit did not provide 2002 base rate (E-157).

The PBA points out that it would take more than a double (223%) increase in the Camden County Correction longevity program just to reach average in law enforcement. This is a very significant area because it affects annual earnings throughout the Officer's career. The plateaus of the longevity program which were analyzed above show that due to the artificial limitation on the longevity calculation, the Correction Officer loses money throughout his career. This means that there is a shortfall throughout his career and at the end of the career the pension, which is calculated in part on the longevity program, also suffers.

The PBA proposes that the “maximum” column be deleted from the longevity benefit definition. The PBA contends that this will be costly to the employer only if an officer has 20 years of service. Very few people reach the 20-year plateau and qualify for the benefit. The PBA cites the Warden’s testimony on this issue. It is a distinct public and administrative benefit to hold employees, create a career path and retain trained personnel. That is one of the main targets and goals of a longevity program. Here the program is not meeting its goals. As years pass, the longevity program will become less relevant unless the change proposed by the PBA is accepted.

The second part of the longevity proposal is to fold-in the longevity benefit so that it will be used for all calculations and provide a slight increase in the overtime rate. The proposed modification of the longevity payment methodology will, in providing some slight increase in the overtime rate, perhaps take some sting out of the regular “sticks” which are occurring with great frequency at the workplace and provide a small incentive in dealing with the enormous overtime obligations.

The PBA submits that the same logic is true for the holiday benefit which it requested be folded-in for computation purposes. The PBA proposes that the entire holiday benefit be folded-in and paid along with regular payroll and utilized for all compensation purposes. When an employee works on a holiday they would continue to be paid the overtime rate as currently provided. The PBA contends that this is a benefit to both the County, the public and the Officers. Section 7, Article X of the CBA provides that “Employees will have the option of taking compensatory time in lieu of cash payments for holiday pay.” As was established in the testimony of PBA witnesses at hearing and accompanying exhibits, it is extremely difficult to take time off due to staffing demands. It is clear that the workplace is

understaffed and the borderline unreasonable expectations of the County for these Employees to work such schedules with regular “sticks” and mandatory, as well as voluntary, overtime must be addressed.

The PBA contends that this will benefit the County and the public. The CBA provides twelve regular holidays annually. The PBA submits that this will add 2,892 days of productivity (12 holidays x 241 bargaining unit members). The PBA contends that to add 2,892 days of productivity, at straight time, to the staffing system at the Camden County Correction’s facility would be a benefit to the public and management. The value of the annual days equals more than fifteen Correction Officers. That is, fifteen Correction Officers created with experience, no additional need for training, no additional benefit programs, no medical, no additional holidays, no additional personal days, *etc.* These are pure productivity days which would be available for scheduling and staffing needs of the Correction Center.

The PBA proposes that those twelve days would be converted to straight pay, paid along with regular payroll, and utilized for all calculation purposes. Only the premium rate for holidays would continue as would other days perhaps authorized by the County from time to time as provided in the contract. This provides a major benefit to the public. It also removes the problem of Officers having a difficult time in using contractually provided time off due to the demands of staffing. The PBA submits that this is an essential element of an Award from a public benefit standpoint. This will also address the substantial shortfall in compensation for these Officers. Raising a family on the types of compensation available at the Camden County Corrections Department is extremely difficult. Officers are substantially restricted in even working a second job to supplement income because of the

constant modifications of the schedule. The PBA notes that the Camden County Correction Officers SOA bargaining unit has folded-in benefits. The PBA contends that the folded-in benefit available to the same Correction Officers' supervisors supports an Award of the fold-in for the rank-and-file Correction Officers. The SOA contract provides for a folding-in of a unique form of compensation called "late relief early report time" (P-11, Article VII, Paragraph e). The value of this creative form of compensation "early report time" almost exactly matches the value of the longevity benefit in the PBA contract. The longevity-like program for the Corrections supervisors provides as follows:

"Effective January 1, 1997 Lieutenants and Captains who have more than 22 years of service with the County or paid in their pension plan shall have the late relief or early report time incorporated within their base salary."

The PBA contends that this is a longevity program. It has all the indicators of such. For example, the benefit is triggered by a number of completed years of service, here twenty-two years. Further, there is a direct reference to incorporating the benefit within base salary. There is no doubt why this is done because there is a direct reference to "their pension plan". As a final test as to whether or not this is a percentage-based longevity plan folded-in or not, one need only test the pay rates under the SOA contract against the same pay rates for persons without the folded-in "early report time". For example, if a Lieutenant has the early report time folded into his pay under Paragraph (e) in 2003, the Lieutenant's pay rate is \$77,378. The base pay for such Officer without the folded-in benefit is \$72,097. The value of the folded-in benefit is just over 7%. This uncapped, without max, benefit is 7% annually for the SOA Lieutenants. The same could be done across the pay chart for each year and each position. What exists here is a thinly disguised percentage longevity program, without maximum limitations, that is folded into regular base pay, used for all calculation purposes



and effects positively the supervisor's pension upon retirement. This is exactly what the PBA is proposing. This is something which is paid in the same workplace, to the same workforce, to people that these PBA Correction Officers work with on a daily basis. It would be hard to imagine stronger support for removing the artificial maximums in the PBA contract and paying the longevity benefit along with regular compensation as is proposed.

According to the PBA, base wage rates are increasing in the law enforcement community. The shortfall from average is growing. Chart 5 below compares the base rate changes in the law enforcement community consistent with PBA exhibits.

**Chart 5**  
**Base Rate Change - Based on PBA Exhibits**

	2003	2004	2005
Camden Park Police	4	4	4
Camden Correction SOA	4	4	4
Camden Prosecutor PBA	4	4	4
Monmouth Correction	4.16	12	
Camden Prosecutor SOA	4	4	4
Middlesex Correction	4.75	4.75	
Burlington Correction SOA	4.5	5	
Camden City	4(2/2)	4.5(2/2.5)	
Passaic Correction	5.75	4	5
STFA	4		
Mercer Sheriff	4.5 (2/2.5)	4.75(2/2.75)	
N.J. State Correction	4		
<b>Averages</b>	<b>4.305%</b>	<b>5.20%</b>	<b>4.20%</b>

The PBA contends that the averages at the bottom of Chart 5 validate its position and illustrate that the County's offer is low, and that it takes a 4.3% increase in 2003 just to maintain the position. The PBA submits that it requires a higher than average salary increase

just to keep the shortfall consistent, a less than average increase would increase the shortfall illustrated in Chart 3. The PBA points out that there is a further impact caused by the longevity shortfall. Most longevity programs in evidence are percentage based, and increased by the negotiated base salary. The exact opposite occurs for a Camden Correction Officer. The higher the base, the lower the value of the longevity benefit. There is no “ripple effect” in the longevity category by virtue of base rate change for the Camden Correction Officer. The shortfall from average worsens and the gap from average increases.

The PBA opposes the County’s health care proposal. The PBA acknowledges that health care is expensive, and that the cost of health care is going up. The PBA questions whether the cost of health care is going up for the County more than it is going up anywhere else. The PBA contends that virtually every other law enforcement CBA, (County, Municipal and State), which is in evidence has not had any changes in its health care program. The PBA argues that the current health care program is not appropriate for reduction. Increasing the co-pays and reducing the benefits is not an acceptable way to encourage the recruitment and retention of skilled personnel. The PBA contends that the compensation program would be further degraded by reducing health care benefits.

The PBA contends that the County’s health care proposal is completely fiscal driven. There is nothing positive about the program for the Officer or the Officer’s family. The PBA cites the testimony of Laura Fanuele, its insurance witness:

Q. Based upon your review of this proposal, does it appear that this proposal is primarily driven to improve health care costs or just to save money? Is it fiscally driven, the proposal?

A. I believe it’s fiscally driven, yes.

Q. Is there any part of this proposal that improves the benefits for employees or improves the family benefit for employees?

A. I do not see anything there that would be considered a benefit improvement, no.

Q. The impact on the individual officer would, of course, depend on utilization and status of coverage?

A. That is correct.

Q. Such impacts as are presented, however, in the several pages are all negative are they not?

A. That's correct, yes. (Tr. at 349, 350).

Fanuele provided specific details of shortfalls and reductions in benefit levels. It is a negative that takes away from Correction Officers and reduces the compensation program. The PBA contends that the County proposal is defective since it has failed to establish the actual savings to this bargaining unit. The PBA submits that any savings to the County must be offset in other benefits.

#### **Private Sector Comparisons**

The PBA asserts that the best comparisons are made with other law enforcement personnel. The PBA asserts that due to the unique statutory obligation and treatment of police officers under New Jersey Law, any comparisons to private sector employees must result in a strong justification for higher compensation to be paid to police officers. The PBA cites the following excerpt from a decision of Interest Arbitrator Carl Kurtzman who considered this subject of private sector comparisons:

As other arbitrators have noted, it is difficult to compare the working conditions of public sector police officers with the working conditions of private sector employees performing the same or similar services because of the lack of specific private sector occupational categories with whom a meaningful comparison may be made. The standards for recruiting public sector police officers, the requisite physical qualifications for public sector police and their training and the unique responsibilities which require public sector police to be available and competent to protect the public in different emergent circumstances sets public sector police officers apart from private sector employees doing somewhat similar work. Accordingly, this comparison merits minimal weight. (**Borough of River Edge and PBA Local 201, PERC IA-97-20, pg. 30**)

The PBA asserts that private sector comparisons should not be considered controlling in this case. In the first instance, there is no comparable private sector job compared to that of a police officer. A police officer has obligations both on and off duty. This is most unusual in the private sector. A police officer must be prepared to act and, under law, may be armed at all times while anywhere in the State of New Jersey. Certainly this is not seen in the private sector. The police officer operates under a statutorily created public franchise of law enforcement with on and off duty law enforcement hours. Once again such public franchise and unique provision of statutory authority is not found in the private sector. There is no portability of pension in the law enforcement community after age 35. Police officers may not take their skills and market them in other states as one may market one's own personal skills in the private sector. A machinist or an engineer may travel anywhere in the county to relocate and market their skills. This is not possible for a police officer. The certification is valid locally only. The nature of police work is inherently one of hazard and risk. This is not frequently seen in the private sector.

The following represents certain statutory and other precedential laws controlling the relationship of police officers to their employers.

1. The Federal Fair Labor Standards Act, 29 USCA sect.201, et seq. applies different standards to private sector employees and police officers. Whereas private sector employees have the protection of the 40 hour work week and the 7-day work cycle, police officers are treated to much less protection. Police officers have only relatively recently been covered by the Act by virtue of the 7k amendment.
2. The New Jersey State Wage & Hour Law, NJSA 34:11-56a, et seq does not apply to the employment relationship between a police officer and the officer's public employer. Private sector employees are covered under New Jersey Wage and Hour Laws. Such protections as are therein available are not available to the police, **Perry v. Borough of Swedesboro, 214 NJ Super. 488 (1986).**

3. The very creation of a police department and its regulation is controlled by specific statutory provisions allowing for a strict chain of command and control. Included are statutory provisions for rules and regulations, specifying of powers and duties, specifics for assignments of subordinate personnel, and delegation of authority. NJSA 40A:14-118. There is no such statute covering private employment in New Jersey.
4. NJS 40A:14-122 provides for specific qualifications which are statutorily mandated for police officer employment. Such requirements as US Citizenship, physical health, moral character, a record free of conviction, and numerous other requirements are set forth therein. No such requirement exists by statute for private employment in this state.
5. If an employee in a police department is absent from duty without just cause or leave of absence for a continuous period of five days said person, by statute, may be deemed to cease to be a member of such police department or force, NJS 40A:14-122. No such provision exists as to private employment.
6. Statutorily controlled promotional examinations exist for certain classes of police officers in New Jersey under title 11 and other specific statutory provisions exist under 40A:14-122.2. There are no such private sector limitations on promotion.
7. A police officer in New Jersey must be a resident of the State of New Jersey, NJS 40A:14-122.8. No such restriction exists for private sector employees.
8. Hiring criteria and order of preference is set by statute 40A:14-123.1a. No such provision exists for private employees in New Jersey.
9. There are age minimums and age maximums for initial hire as a police officer in New Jersey. No such maximum age requirements exist for private employment in this state. Even if an employee in a police department who has left service seeks to be rehired there are statutory restrictions on such rehire with respect to age, 40A:14-127.1. No such provision exists for private employees in this state.
10. As a condition for employment in a police department in the State of New Jersey there must be acceptance into the applicable Police Retirement System, NJS 40A:14-127.3. No such requirement exists in private sector. The actual statutorily created minimum salary for policemen in New Jersey is set at below minimum wage

**NJS 40A:14-131.** Private employees are protected under the Fair Labor Standards Act. Days of employment and days off, with particular reference to emergency requirements are unique to police work. A police officer's work shall not exceed 6 days in any one week, "except in cases of emergency." **NJS 40A:14-133.** The Fair Labor Standards Act gives superior protection to private sector employees.

11. **NJS 40A:14-134** permits extra duty work to be paid not in excess of time and one-half. This prohibits the higher pyramided wage rates which may be negotiated in private sector. There is no such prohibition in the law applying to private sector employees.
12. The maximum age of employment of a police officer is 65 years. No such 65-year maximum applies to private sector employees.
13. Police Officer pensions are not covered by the federal ERISA Pension Protection Act. Private sector employees pensions are covered under ERISA.
14. Police officers are subject to unique statutorily created hearing procedures and complaint procedures regarding departmental charges. Appeals are only available to the court after exhaustion of these unique internal proceedings, **NJS 40A:14-147** to **40A:14-151**. No such restrictions to due process protections for private employees exist. Private employees, through collective bargaining agreements, may also negotiate and enforce broad disciplinary review procedures. The scope is much different with police personnel.

Perhaps the greatest differentiation between police officers and private employees generally is the obligation to act as a law enforcement officer at all times of the day, without regard to whether one is on duty status within the state or not. Police officers are statutorily conferred with specific authority and "... have full power of arrest for any crime committed in said officer's presence and committed anywhere within the territorial limits of the State of New Jersey." **NJS 40A:14-152.1.** A police officer is specially exempted from the fire arms law of the State of New Jersey and may carry a weapon off duty. Such carrying of deadly force and around the clock obligation at all times within the State is not found in the private sector.

Police officers are trained in the basic police academy and regularly retrain in such specialties as fire arms qualifications. This basic and follow up training schedule is a matter of New Jersey Statutory law and is controlled by the Police Training Commission, a statutorily created agency. Such initial and follow up training is not generally found in the private sector. Failure to maintain certain required training can lead to a loss of police officer certification and the police officer's job. This is rarely found in the private sector.

Mobility of private sector employees is certainly a factor in the setting of wages and terms and conditions generally for private sector employees. Where a company may move from one state to another, there is more of a global competition to be considered. The New Jersey private sector employee must consider the possibility that his industrial employer might move that plant to another state or even another country. This creates a depressing factor on wages. This is not possible in the public sector. The employees must work locally and must be available to respond promptly to local emergencies. In a private sector labor market one might compare the price of production of an item in New Jersey with the price of production of that item in other states, even in Mexico.

The PBA contends that local comparisons are more relevant with police wages. Citing an excerpt from a decision issued by arbitrator William Weinberg in the Village of Ridgewood case.

Second of the comparison factors is comparable private employment. This is troublesome when applied to police. The police function is almost entirely allocated to the public sector whether to the municipality, county, state or to the national armed forces. Some private sector entities may have guards, but they rarely construct a police function. There is a vast difference between guards, private or public, and police. This difference is apparent in standards for recruiting, physical qualifications, training, and in their responsibilities. The difficulties in attempting to construct direct comparisons with the private sector may be seen in the testimony of the Employer's expert witness who used job evaluation techniques to identify engineers and computer programmers as occupations most closely resembling the police. They may be close in some general

characteristics and in "Hay Associates points," but in broad daylight they do seem quite different to most observers.

The weight given to the standard of comparable private employment is slight, primarily because of the lack of specific and obvious occupational categories that would enable comparison to be made without forcing the data.

Third, the greatest weight is allocated to the comparison of the employees in this dispute with other employees performing the same or similar services and with other employees generally in public employment in the same or similar comparable jurisdictions (Section g. 2(a) of the mandatory standards.) This is one of the more important factors to be considered. Wage determination does not take place without a major consideration of comparison. In fact, rational setting of wages cannot take place without comparison with like entitles. Therefore, very great weight must be allocated to this factor. For purposes of clarity, the comparison subsection g, (2), (a) of the statute may be divided into (1) comparison within the same jurisdiction, the direct employer, in this case the Village, and (2) comparison with comparable jurisdictions, primarily other municipalities with a major emphasis on other police departments.

Police are a local labor market occupation. Engineers may be recruited nationally; secretaries, in contrast, are generally recruited within a convenient commute. The nearby market looms large in police comparisons. The farther from the locality, the weaker the validity of the comparison. Police comparisons are strongest when in the local area, such a contiguous towns, a county, an obvious geographic area such as the shore or a metropolitan area. Except for border areas, specific comparisons are nonexistent between states. (Ridgewood Arbitration Award, Docket No.: IA-94-141, at 29 - 31).

The PBA maintains that any time there is a comparison made between a police officer and a private employee generally, a police officer's position must gain weight and be given greater support by such comparisons. The police officer lives and works within a narrowly structured statutorily created environment in a paramilitary setting with little or no mobility. The level of scrutiny, accountability and authority are unparalleled in employment generally. The police officer carries deadly force and is licensed to use said force within a great discretionary area. A police officer is charged with access to the most personal and private information of individuals and citizens generally. This highly specialized and highly trained environment puts great stress and demand on the individual. Private employment generally



is an overly generalized category that includes virtually every type of employment. To be sure in such a wide array of titles as the nearly infinite number covered in the general category of "private employment" there are highly specialized and unique situations. The majority, however, must by definition be more generalized and less demanding. Specialized skills and standards are not generally as high as in police work. A police officer is a career committed 25-year statutorily oriented specialist who is given by law the highest authority and most important public franchise. The police officer should be considered on a higher wage plane than private employment generally.

#### **Lawful Authority of Employer**

The PBA submits that consideration of the factor is essentially a consideration of the New Jersey "Cap Law". The PBA maintains that the funding of its last offer is not impacted by this factor. The PBA notes that the county cap is not applied to the expenditure side of the budget, but is applied to the tax levy. There is no indication of any cap problem for the County of Camden for 2003. The "Total Allowable Tax Levy" consistent with the Cap Law is \$209,382,360. The tax levy in the budget is \$208,581,733. The difference is \$800,629. Not only did the county Freeholders adopt a budget well within the cap provisions by statute but in addition they under utilized the cap flexibility available by over \$800,000. \$800,629 is available for "cap banking" which will carry forward into future years. The PBA notes on sheet 3B of the budget that the County utilized a 1% cap formula and did not use the other flexibility available. The 1% cap value is \$1,465,862. The PBA calculates the waived 4% as \$5,863,448. The PBA submits that there is no cap problem in the County in 2003 and there is a substantial cap bank of over \$800,000 going into 2004.

The PBA contends that the base payroll is essential in analyzing criteria g5 and g6 under the Act. The actual Camden County Correction Facility 2002 Budget prepared by

Warden Owens and his staff was introduced into evidence by the PBA. (P-34). The budget provides an accurate detailed statement of the various costs, specifically employee costs, broken down by rank. This bargaining unit is made up of Sergeants and Correction Officers. On sheet 5 of P-74 is a listing in alphabetical order of all sergeants in the unit showing a total of \$2,122,996. P-34 shows the total base salary of the Corrections Officers of \$8,220,061. The total base wage for all bargaining unit personnel is \$10,343,057. One percent has a value of \$103,430.

The PBA asks that this \$103,430 be measured against the \$800,000 cap bank and the \$5,863,448 cap flexibility waived by the County. The flexibility waived by non-utilization of the difference between the index rate and the cap for 2003 (\$5,863,448) represents over fifty-six base wage salary points for the entire bargaining unit.

**The Financial Impact on the Governing  
Unit, its Residents and Taxpayers**

According to the PBA, Camden County is not a poor county. Camden County is made up of sixteen diverse municipalities. While the County is often characterized as dominated by Camden City, Camden County is more diverse. The PBA notes that the county tax rate has been flat for the last several years. E-17 shows only a 3¢ increase in the county tax rate for the 5 years. E-17 shows that the county tax rate in 1999, 2000 and 2001 was flat at the rate of .86 each year. There was a 3¢ increase to .89 in 2002 and no increase in 2003. E-16, a chart identified as "County Effective Tax Rates for all of New Jersey Counties", shows that the tax rate has only changed 6¢ since 1966 with a reduction in the tax rate in 2 of those years. The PBA asserts that stable tax rates are not indicative of fiscal pressure.

The PBA asserts that Camden has a strong credit rating as identified and defined by the credit rating services. The PBA cites E-35, a consultant's report prepared by Public Financial Management dated August 26, 2002, in support of its assertion.

The County's underlying credit ratings are currently A1, from Moody's (effective June 29, 2000) an A+ from S&P. (Effective July 10, 2000). The rating received by the County from the S&P in July 2000 was an upgrade from an A credit rating. The Credit received the upgrade in 2000 from S&P in part for demonstrating, over a period of years, the implementation of practices and policies limiting expenditures and an increase in available and remaining surplus at the end of each fiscal year. (E-35, at 2).

The PBA submits that Camden County is in the mid range of all the counties in the State. E-16 shows that the ratable base in Camden County is steadily growing. Property values have increased over a 5-year period by over \$2 billion. Another indicator of fiscal strength is debt service. Debt service for a county is calculated as 2% of equalized valuation basis. The net debt in Camden County is only .23%, which is just over 1/10th of the statutorily permitted authorized debt. (See the annual debt statement for 2002 and the preliminary official statement dated March 1, 2003).

The PBA submits that the "results of operations" is a significant consideration, showing the County's ability to generate surplus. According to the PBA, the County's surplus increased from \$5.2 million in 1995 to \$8.1 million in 2002, a 58% increase. This is the equivalent of the "bottom line" in the private sector. In 2000 it was \$5,325,393. In 2001 it increased to \$7,178,900, and to \$8,077,900 in 2002. The fund balances continue to grow each year from \$6.7 million in 1993 to \$21.3 million in 2002. The PBA submits this does not indicate a deteriorating financial condition. The current county tax rate is 89¢. This equals \$890 on a home assessed at \$100,000. Using this as a base line for hypothetical comparisons, the PBA calculated the impact of this bargaining unit on a hypothetical property taxpayer:

The total cost of base pay for this bargaining unit per the correction facility budget is \$10,343,057. (P-3). The total county budget listing all expended balances canceled, total expenditures and unexpended balances canceled was \$337,487,354. (P-32, sheet 3). Comparing the total bargaining unit base wage cost to the total county budget for 2003 results in a factor of 3.06%. 3.06% of the County tax levy represents the entire base wage costs for all bargaining unit members. Applying the factor of 3.06% to the hypothetical homeowner's \$890 county tax bill, the cost of the correction officer's bargaining unit base wage costs the hypothetical homeowner \$27.27 per annum. One percentage point increase to these bargaining unit employees is 2.2¢ per month on the homeowner's \$100,000 assessed property. If the property were, for example, assessed at \$200,000 then the cost of a percentage point would be 4¢ per month. The PBA submits that this is a very small price to pay for this important service which is done so well by these bargaining unit members. (PBA Brief at 54-55).

The PBA disputes the County's assessment of its obligation to contribute to the Police and Fire Retirement System. The PBA notes that the County made no payments for the last four years, and that the County's contribution will be phased in at 20% a year beginning July 2004. The PBA notes that the actual savings to Camden County in 2003 is \$2,642,652. The PBA submits that this is not a burden to the County. It is actually a savings. The PBA calculates this \$2.64 million savings as 25.5 bargaining unit base wage percentage points.

The PBA submits that it is not suggesting that Camden is a wealthy county, however, it is a county showing significant growth, flat tax rates, increased tax levies, and a nominal cost of the important service that is well delivered by the Correction Officers.

#### **The Continuity and Stability of Employment**

The PBA maintains that it would take a significantly above average settlement just to maintain the short fall and last place position of the Correction Officers.

### Other Issues

The PBA proposes to modify Article XVII, Work Rules by adding the following:

*Proposed new rules or modifications of existing rules governing working conditions shall be negotiated with the majority representative before they are established.*

This language appears in the statute at N.J.S.A. 34:13A-5.3. The PBA submits that while it can be argued that it can rely on the statute, this is really an issue of forum. Prior practice is a prime interpretive tool when one is looking at contract language that is unclear. The PBA asserts that it seeks to incorporate this important interpretive tool into the contract to avoid disputes going beyond the earliest levels of the grievance procedure.

The PBA proposes that the PBA President be placed on a regular day shift and permitted to work full time on Association business. The PBA contends that there are substantial adjustments made to meet the demands of a large bargaining unit. The PBA cites the testimony of both the PBA witnesses and the Warden of their excellent relationship. It is difficult to maintain and foster such a relationship when the PBA President may be assigned to day shifts, evening shifts or night shifts and not have regular access to administration personnel who work normal business hours. Placing the PBA President on a regular shift also facilitates interaction with other members who will always know how to find the President without searching through the schedule system. The PBA notes that this has no economic impact on the County.

The PBA proposes to modify the current narrow grievance definition in Article XIX to use the actual statutory format. The PBA submits that it is seeking only what is statutorily available under the Act. The PBA's proposal includes minor discipline, below the civil service standard, to provide an expeditious and cost contained method of resolving disputes. The PBA submits that both parties benefit from this proposal.

The PBA notes that the shift bid procedure language has been the subject of direct bargaining and negotiations between the parties. The PBA, at the close of the record, remained hopeful that the issues would be resolved directly. The PBA requests that I retain jurisdiction on this issue in the event it remains unresolved.

The PBA proposes that uniform changes directed by the County be paid for by the County. The PBA submits that this is an equitable approach to what should be considered a codification of practice. The contract is presently silent on the issue of who pays for a uniform modification which is ordered by the County. The PBA suggests that common sense dictates that when the County orders a change in uniform equipment then the County should pay such costs. The statute further provides support at N.J.S.A. 34:13A-5.3 which provides that changes in terms and conditions of employment cannot be unilaterally altered but must be preceded by negotiations. Certainly the cost of uniforms is a mandatory subject of bargaining. The PBA submits that if this is included in the new CBA, the parties will be aware of the priorities to be followed and protocols to be followed before new or changed equipment is ordered. The PBA argues that employees with a poor compensation package cannot reasonably be asked to spend scarce personal funds on County directed modifications to the uniform. The PBA submits that by adding this language to the contract both parties may save by avoiding a grievance arbitration or unfair practice hearing.

### **Conclusion**

The PBA requests, based upon the evidence and testimony introduced at hearing and further based upon the arguments advanced in its brief that I rule in favor of its last offer.

## **The County's Position and Arguments**

### **Cost-out of the Parties' Proposals**

The County relies on the testimony of Richard Dodson, Camden County Director of Human Resources, concerning the cost out which he prepared. (E-62). The total current payroll in the unit is \$13,566,093. The PBA's wage proposal costs \$2,136,907, a 15.76% increase over three years, or 5.25% average per year. Dodson calculates the cost of folding in holiday pay to be .58% as an additional pension cost alone, not including the increased costs of overtime.

Dodson calculates that the cost of the PBA's proposal for full release time for the PBA President to be .51%. The cost of the PBA's senior officer differential proposal is \$19,444 or .14%. The cost of the PBA's proposal to lift the cap on longevity is 1.49%. Therefore, the total cost of the other increases other than a wage proposal is 2.72%. This brings the total increase, including wages, to 18.48%.

### **Pattern of Settlement**

The County asserts that its last offer is fair and reasonable. The County's position is based on three areas: pattern of settlement, the challenges in maintaining the County's fiscal health given the unique demographics of the County and the comparatively good position, in terms of wages and benefits, of the Correction Officers.

The County asserts that its last offer follows the established pattern of settlement within the County, which includes settlements with other law enforcement units within Camden County. The Correction Superior Officers, who supervise the officers in this bargaining unit, have accepted the same wage pattern and health benefits package offered to the Correction Officers. The County contends that the PBA has not shown a compelling reason to break the pattern.

Dodson testified that the pattern is 4% in 2003, 4% in 2004 and 4% in 2005. This pattern includes the identical health benefits proposal in this matter.<sup>1</sup> The law enforcement bargaining units that voluntarily accepted the pattern are the Prosecutor's Superior Officers, the Prosecutor's Investigators, the Park Police, the Fire Marshals, Assistant Fire Marshals and the Correction Superior Officers. Additionally, the Assistant Prosecutors and Prosecutor's clericals have accepted this pattern. (E-54-55). Thus, approximately 20-30% of all County employees have settled on this pattern. The County's management employees have also accepted the health benefits proposal. There have been no settlements for 2003 - 2005 which have not followed the established pattern<sup>2</sup>. This evidence is undisputed by the Union. The evidence presented by the County shows a clear pattern of settlement within the County covering the years 2003, 2004 and 2005.

The County cited excerpts from arbitration awards in support of its position. It is well-established that "[p]attern bargaining is a factor which is traditionally applied in many collective negotiations settings . . ." Asbury Park and Asbury Park PBA Local 6, IA-88-92 (1989, J. Weisblatt), p. 16. In the Asbury Park matter, Arbitrator Weisblatt noted:

The concept that a pattern of bargaining is a major consideration under the statutory criteria is well accepted as part of the interest arbitration process. This concept has regularly been given considerable (even controlling) weight by arbitrators and its validity has been noted by the courts. [Thus a] proven pattern of bargaining must be given great weight in an interest arbitration proceeding. Id. at 10.

Arbitrator Weisblatt further noted that an advantage to pattern bargaining is that consistency among all employees is more likely to promote stability of employment. In County of Essex and Essex County Corrections Officers, PBA Local 157, IA-84-93, (July

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1. The only difference is a slight exception with the opt-out: Six of the seven bargaining units that have settled have the opt-out provision for spouses grandfathered in. Hereafter, the opt-out provision is eliminated. That is the only difference in the health benefits proposal and does not change the level of health benefits. (Tr. at 247).

2. Only the Sheriff's Officers and Council 10 had not settled their contracts at the close of the record.



3, 1985), Arbitrator Weissblatt upheld the validity of pattern, even where there were slight “variations” in the pattern. Weissblatt noted the “significant presumption” accorded such a pattern:

The existence of a pattern of agreements creates a significant presumption supporting the County’s offer which fits within that pattern. Absent a showing of equally significant countervailing factors, such a presumption could properly stand as the controlling element under the statutory criteria.

The County notes that in the Essex County case, Weissblatt noted that although the settlements had slight variations, “the across-the-board salary increases are identical in the three units. The County’s offer herein is also identical to that pattern.” So, too is the instant matter: the County has identical across-the-board wage increases and health benefits proposals that clearly constitutes a pattern. Thus, the presumption is that the County’s pattern be awarded. For an award against that pattern, the County asserts that the PBA must show significant, countervailing factors, which it has not.

Arbitrator Weissblatt reiterated the importance of pattern in another arbitration award, stating “consistency in negotiations is a concept that is generally in the public interest. It provides for greater morale among public employees and provides a predictability factor in the bargaining and budgetary processes.” City of Passaic and PBA Local 14, IA-99-76, April 25, 2000. Furthermore, Arbitrator Jeffrey Tener noted that “the burden shifts to the PBA to prove that a different settlement should be awarded when a bargaining pattern such as the one which exists in Camden County has been established.”

The County anticipates that the PBA might argue that there is no wage pattern because some units have received other benefits. As Arbitrator Weissblatt correctly noted, slight variations do not detract from an across-the-board wage increase pattern. Here, the across-the-board wage increase offer is identical to that continued to be offered to employees such as this group and identical in all of the units who have voluntarily settled. The County

acknowledged that the Prosecutors Investigators, who voluntarily accepted the wage and health benefits pattern received additional benefits in part, because the unit avoided a costly, lengthy interest arbitration process. The benefits received by the Prosecutor's Investigators were \$750 added to the top salary step and \$1000 to the senior investigator's step. The County asserts that the value of these additional benefits is .75%. (Tr. at 252, E-170).

The County submits that the pattern of settlement is clear and comprehensive. The 2003-2005 pattern covers six separate law enforcement units and it has a strong interest in maintaining the pattern of settlement. Dodson's testimony:

"it obviously keeps people out of arbitration. That's the important thing is that we have everybody settling in the same manner so that we don't have problems with one unit over another. We don't have problems that another unit wants more than that unit got because they got more than the other unit got and those kinds of problems that we've had. We've had those in the past where we've had different wage settlements with different bargaining units. That leads to encouraging units to go to arbitration....what happens is that if you don't get equal settlement with most of the units or all of units, then other units feel that they were imposed upon." (Tr. at 242).

The County argues that any alteration in the pattern will not only destroy the well-established pattern, but will have a severe negative impact upon future negotiations with the County's law enforcement units. The County asserts that its offer, which is identical to the terms agreed to by the other law enforcement units, is more reasonable and should be awarded.

#### **Comparison of Wages, Hours and Terms of Employment**

This factor requires the Arbitrator to make a comparison of the wages, salaries and conditions of employment of the Camden Correction Officers with other employees of Camden County, other public sector employees and private sector employees in general. The County asserts that the evidence shows that the Camden Correction Officers are well positioned when compared with each of these groups of employees, since they receive far

better compensation than other employees in both comparable public sector jurisdictions, and the private sector as a whole.

The County contends that the most appropriate comparison is with other Correction Officers. The Mission Statement of the Camden County Department of Corrections is to provide "safe, secure and humane custody to all inmates." (P-1) The Civil Service job description for county correction officer is to "guard inmates" "during an assigned tour of duty." (P-2). The County acknowledges that Correction Officers are law enforcement personnel. According to the County, there are different types of law enforcement work, differing in terms of complexity, exposure to danger, and variety of law enforcement activities. This can be shown by job descriptions published by the Department of Personnel. A municipal police officer is not responsible for guarding inmates, as is the definition of Correction Officer work. (P-2). The County submits that the result is dissimilar compensation for law enforcement officers. The County disputes the PBA contention that Correction Officers are akin to municipal police officers. The mission statement, the testimony of the witnesses, the Department of Personnel job description and the evidence presented show that the members of this bargaining unit perform the stated work of guarding inmates. Without question, they do those jobs well. The County maintains that the appropriate comparison is with other county Corrections Officers and that the comparability data supplied by the PBA on municipal police officers should be disregarded.

The County cites Grundlock's testimony about alleged "double-bunking" and "overcrowding" in support of the PBA's contention that the Correction Officers' jobs have become more difficult or dangerous. Grundlock admitted that in claiming that the facility was "overcrowded" he counted people who were not even present in the facility. (Tr. at 95-96). Moreover, the PBA's own exhibit, P-4, shows that the new jail anticipated that "many

of [the prisoners in the new jail] will live in double-bunk cells.”<sup>3</sup> The County contends that there is no data about increased Correction Officers' on-the-job injuries or increased alarms or "Code Browns." A "Code Brown" is an officer/inmate confrontation. The individual officer involved in the confrontation decides whether to call a Code Brown. The undisputed evidence is that the facility has less than 10 Code Browns annually, which is fewer than what other New Jersey corrections facilities have monthly. (Tr. at 156-157).

The Warden also described the Special Operations Group, or SOG unit. The SOG unit responds to emergencies within the facility, such as unruly inmates and other disturbances. Fortunately, the SOG unit is called out rarely. The Warden recalled no incidents in the last several years which required the SOG unit to be called out. Warden Owens has almost forty years of corrections experience, ranging from correction officer up through the ranks to his current position of Warden. He regularly interacts with wardens of other New Jersey County facilities. The Warden asserts that the Camden County Correctional Facility is "one of the best institutions, surely in the southern part of the state" and "within the State of New Jersey." The New Jersey State Inspectors confirm this. Warden Owens stated that overall, the facility is safe. No evidence was provided to the contrary. (Tr. at 153-156; 169; 171).

The Warden asserted that the facility had relatively few officers injured on duty, less than eighteen incidents in the past year. Moreover, not all of the officers injured on duty are injured because of inmate activity. A "slip and fall" would be counted as an injury on duty. The County asserts that there is no reliable evidence that the Correction Officers' jobs have become more dangerous. (Tr. at 157-159).

The County disputes the PBA's assertion that the Correction Officers' jobs have become more complex. Grundlock testified that Correction Officers now assist in the

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3. Other facilities, such as Gloucester County also double-bunk. (Tr. at 175).

processing of inmates at the Camden police department. Grundlock also testified that one time, "we're [guarding] a high profile inmate and we worked hand in hand with the prosecutor's office." Guarding inmates is precisely the job of a Correction Officer.

Certain officers guard the perimeter of the facility to insure the safety and security of the facility. This is an enumerated function of a Correction Officer's job as set forth in the Civil Service job description. These assignments, such as perimeter duty and hospital duty are desired posts.

The County contends that the PBA's evidence regarding inmate population in P-5 shows that the County facility is not overpopulated. Grundlock admitted that his exhibits were incorrect and included inmates not present in the facility. Furthermore, P-5 states that the facility is rated for 324 inmates and as of August 28, 2003 only had 240. Thus, the facility was only 74% of capacity. The individual sheet on Camden County gives a specific breakdown of the Camden population. This figure is vastly different from the inexplicable 2104 figure set forth on the first page of the exhibit. The County submits that Grundlock was unable to reconcile the vast differences in these figures. (Tr. at 69 - 71). Furthermore, the data on Atlantic, Burlington, Somerset, Union, and Warren counties was virtually identical; thus, the data contained in P-5 is fatally flawed and should not be relied upon. Grundlock acknowledged that these documents were fraught with errors, making the 2104 figure incorrect. (Tr. at 68-75; 97-99). The County submits that the data in P-5 and P-6 is incorrect.

The County maintains that when staffing needs increase, the Warden responds appropriately. The Warden testified that he monitors officer- to- inmate ratios. If the inmate population rises to a certain amount, the number of officers is increased. Also, when the Warden sees an overuse of overtime or overexertion of the Correction Officers, he requests

additional funding from the Freeholders. During the life of this contract, the Warden added forty new officers. The staffing rule of thumb is 3.5 inmates to every staff member (including superior officers and support staff). Although the numerical calculations result in a number greater than 4, the Warden explained that the difference is made up by overtime. The 2002 overtime figure of \$1.9 million, when converted to man-hours, will result in the 3.5 - 4 ratio because the overtime equates to approximately fifty more personnel. Moreover, different areas of the jail, such as maximum security areas are staffed with more officers than less difficult areas. Areas including direct supervision have fewer correction officers. (Tr. at 162-164; 167; 199; 239).

In summary, the County submits that the Correction Officer job at Camden County is straightforward work in one of the safest, trouble-free facilities. There is no overcrowding issue and the job is one of the best Correction Officer positions in the State.

Importantly, it is undisputed that morale is good and the workforce is productive and efficient. The Warden testified that morale is good; his officers are "the best people I've ever worked with." He states, "I feel that we are close enough that if there was a problem, they would tell me." He's "very happy with his morale." The Warden confirms that the correction officers are productive and efficient. (Tr. at 188-189). Grundlock agrees that morale is good. He agrees that there is a good working relationship between the officers, superior officers and the warden and that mutual respect and cooperation are apparent. "I think we work really well together, and we get the job done every day." (Tr. at 59).

### **Public Employment in the Same Jurisdiction**

#### **Camden County Uniformed Employees**

The County contends that Camden County Correction Officers are appropriately positioned vis-à-vis the other County law enforcement employees, according to common law enforcement hierarchy. The job of a Correction Officer is quite different from a

Prosecutor's Investigator or Sheriff's Officer. The Correction Officer Unit may not have the highest base salary, but they have benefits not received by other units. The Correction Officer Unit has the highest uniform allowance of the Camden County rank-and-file public safety units. (E-57). The Correction Officer Unit has longevity; the Sheriff's Officers and Park Police do not. (E-58). Their longevity benefit is slightly lower than the Prosecutor's Investigators, who have a cap on the longevity benefit. (E-61). The Correction Officers also have a comparable amount of time off. (E-61).

Thus, the County asserts that Correction Officers are adequately compensated when compared with other Camden County law enforcement employees.

#### **Civilian Employees**

The County asserts that its last offer permits the Correction Officers to maintain a base salary far higher than any civilian unit employee. In comparison to other Camden County non-law enforcement employees, the Corrections Officers' total compensation is, and will remain, far superior. The County's proposals will maintain the Corrections Officers' total compensation, whereas the PBA's proposals will widen that gap to a gross disparity between uniformed and civilian employees.

#### **Public Employment in General and in Comparable Jurisdictions**

The County contends that Correction Officers are very well compensated in comparison to other public employees. A review of the PERC data on interest arbitration awards and voluntary settlements in 2002 shows that the County's wage proposal exceeds the voluntary settlements, and is on target with the interest arbitration awards. (E-73; E-77).

The County contends that Camden Correction Officers are compensated far better than other public employees in general. Given the median increases over the past four years alone, Camden Correction Officers will receive increases greater than other state and local

employees if the County's proposal is awarded. The County submits that the PBA has presented no evidence as to why it should receive a wage increase far greater than that provided to other public sector employees. The County asserts that its final offer is more reasonable when the public sector comparability criterion is applied.

The County notes that the comparability factor has undergone immense changes over the history of interest arbitration. The County submits that the "going rate" and "parity" arguments that police and fire unions traditionally relied upon with great success in interest arbitration are no longer accepted. Hillsdale PBA Local 207 v. Borough of Hillsdale, 263 N.J. Super 163 (App. Div. 1993), aff'd in part, rev'd in part, 137 N.J. 71 (1994)

The County notes that a review of maximum salaries in the eight southernmost counties, shows Camden Correction Officers with the second highest top step. Moreover, if the County's proposal is awarded, Camden Correction Officers will have the highest total compensation when compared with the other three southernmost Counties (Burlington, Cape May and Cumberland) who have settled their 2003 contracts. (E-38).

Camden also has the lowest number of years, five to top step. (E-40). Cumberland takes ten years to reach top step; Burlington and Ocean take nine years. Camden Correction Officers have the third highest clothing allowance of the eight southernmost counties; the second highest number of vacation days of the eight southernmost counties and the second highest total number of days off. (E-41; E-43).

The County maintains that Camden Correction Officers compare favorably to other Correction Officer units. The County submits that the eight southernmost counties are appropriate comparables.

In considering similar comparable jurisdictions, it is appropriate to acknowledge the vast and well-recognized socioeconomic differences between North Jersey and South Jersey. (E-46-48). The U.S. Department of Labor, Bureau of Labor Statistics, distinguishes North



Jersey from South Jersey in evaluating economic indicators, such as the Consumer Price Index, or CPI. (E-46). In fact, recent changes in the determination of the statistical areas (which include moving Trenton and Mercer County into the New York area and grouping Philadelphia, Wilmington and Atlantic City) emphasize that North Jersey and South Jersey are different economically. Similarly, a nonprofit economic development group found that the Philadelphia area had a much lower cost of living than the New York and Newark (North Jersey) areas. (E-47). Also, Moody's, the well-known rating agency, noted the "relatively lower living costs in southern New Jersey." (E-35).

Arbitrators have also recognized the distinct socioeconomic differences between North and South Jersey. In the Matter of Arbitration between Bergen County Prosecutor and PBA Local 221, Arbitrator Robert Light found that the more populous northern counties were appropriate comparables to a Bergen County unit. (E-48).

The County has shown through Consumer Price Index (CPI) evidence and demographic evidence that there are sizeable differences between Northern and Southern New Jersey. (E-46-47). The per capita income for North Jersey is consistently higher than the per capita income for southern Jersey. (E-32).

The County contends that the PBA has failed to show that the jurisdictions submitted are comparable with Camden. N.J.A.C. 19:16-5.14(d) provides comparability guidelines for similar comparable jurisdictions. (E-8). These guidelines include geographic data, socioeconomic considerations, and financial considerations. The County presented data on the eight southernmost Counties in the State: the geographic area of the state in which Camden is located. Those eight southernmost counties have similar socioeconomic considerations and financial considerations. (E-155 - E-162).

On the other hand, the PBA presented no evidence that any of the entities which it claims are comparable, are similar or comparable jurisdictions, and in fact, they are not. The

geographical differences alone destroy any meaningful attempt at comparability. The PBA provided no data on comparable tax rates, population, demographics, or job duties to warrant inclusion of these counties and municipalities. The County contends that the PBA provides contracts having no relationship to each other, and little, if any relationship to the Camden Correction Officers. The County contends that the most appropriate comparisons are to other Correction Officers in the eight southernmost counties. The PBA submitted only 6 County Correction Officer contracts. The County contends that the Prosecutor's Investigators have quite different jobs than the Correction Officers and is not an appropriate comparison. (P-7-P-8).

When comparing municipalities based upon their geography, there should be evidence that the two jurisdictions neighbor or overlap, are nearby, similar in size, are of the same nature and have similar populations. The County submits that a review of the PBA data shows that these jurisdictions are not similar comparable jurisdictions.

The County contends that a comparison of similar and comparable jurisdictions shows that Camden Correction Officers are compensated at a level equivalent to and often well above their peers. The County asserts that it seeks to maintain that relationship, while the PBA seeks to move ahead of comparable jurisdictions and receive compensation comparable to counties in which the population enjoys a higher per capita income. The County asserts that the PBA failed to offer any evidence as to why Camden County, given its demographics, should pay its Correction Officers the same as other counties or municipalities which represent the extremes in the State in terms of salary. The County maintains that the PBA has failed to present any evidence as to why it should receive wages and benefits far greater than comparable public employees.

### Private Employees

Camden Correction Officers have fared far better than private sector employees. In 2000, New Jersey private sector annual wages averaged \$43,638. (E-83). The average Camden County Correction Officer's 2002 wage is 6% greater. During that same period, private sector earnings increased only 7.7% whereas state and local government earnings rose 9.5%. (E-84).

When compared with Correction Officers nationwide, Camden Correction Officers fare much better. Nationally, the 2002 wage for Correction Officers was \$34,258, which was 26% less than Camden's average wage of \$46,290. (E-37). Closer to home, the average wage for a Correction Officer in the Philadelphia-NJ metropolitan area is \$41,140, well below Camden County Correction Officers' wage of \$46,290 (E-68). Camden's wage is 12.5% higher than others in the same geographic area. For all occupations in the Philadelphia-NJ metropolitan area, the mean wage is \$36,910, compared to the Camden Correction Officers average wage of \$46,290, which is 25% higher. (E-67).

From July 2002 to July 2003, average factory earnings increased 1.4%. This is a vast difference from the 4% being offered to the Camden County Corrections Officers in this proceeding. Moreover, those average factory earnings in 2003 represented an annual wage of \$32,969, which is 29% less than the 2002 Corrections Officer wage. (E-27; E-28).

According to the County, recent private sector settlements are lower than the last offer made by the County to the Correction Officers

The County submits that the PBA's wage proposal of 5% annually is excessive considering the low increases provided to private sector employees over the last several years. The County submits that its last offer is far greater than the increases received in the private sector and will maintain the Correction Officers' current standing.

**The Financial Impact on the Governing  
Unit, its Residents and its Taxpayers**

The County asserts that while it is currently fiscally sound, it is straining to maintain fiscal health, while maintaining services and not increasing taxes more than what the upcoming budget requires. The County cites the testimony and Certification of David McPeak, the County's Chief Financial Officer, showing the County's precarious financial situation and the need for strict financial planning in order to remain fiscally sound. (E-12).

The demographics of Camden County paint a fiscally distressing picture. The U.S. Census reported that Camden County had 10.4% of persons below the poverty level which is well above the State average of 8.5%. Moreover, 64.36% of the State's condemned properties are in Camden County. (E-24; E-26). Camden County's population growth is slowing dramatically. From 1980 to 1990, Camden had a 6.6% population increase, compared with a 1.2% from 1990 to 2000. (E-30). The per capita income in Camden County is \$22,354. (E-24; E-26). This is well below the state average per capita income of \$27,006. The demographics show that Camden residents can ill-afford an increase in taxes.

McPeak testified in depth about the increasing pressures on the budget. McPeak made clear that any increase has an impact on the County's budget. (Tr. at 225). Exacerbating the problems illustrated by the demographics of Camden County, the County's ratable base has remained relatively flat over the past five years, (Tr. at 204, E-16). However, expenditures have been increasing, leading to increased taxes. In 2001, the County incurred a \$15 million dollar tax increase. (Tr. at 65).

Further, County expenses per capita have been rising. From 2000 to 2002, expenditures per capita increased 27%. Per capita cost of the Department has increased 34%, from \$43 to \$57 since 1999. (E-20). Moreover, the Department has been receiving increased appropriations. McPeak stated that the Department's appropriations increased approximately

\$2 million each year, with a \$10 million increase since 1999. The Department represents 10% of the County budget which is higher than any other department. (Tr. at 226).

The County is also using a much greater amount of surplus. McPeak testified that the County had a decrease in total surplus in 2001 from 2000 of \$1 million (Tr. at 209-210). The County is concerned with maintaining an appropriate fund balance for many reasons. First, appropriate reserves are needed for cash flow and emergencies. Second, the rating agencies monitor fund balance when evaluating creditworthiness. McPeak, in his discussions with the rating agencies, Standard & Poor's and Moody's, and his almost ten years of County financial experience, testified that an ideal fund balance is 10% of the budget. The County ended 2002 with a fund balance of \$21,341,511, which is 7.85% of the budget. In 2003, that percentage decreased to 7.11%, well below the desired 10% figure. McPeak stated that the County felt it had to reduce the amount taken out and therefore budgeted less revenue to replenish the 2002 surplus gap. (E-12, Tr. at 210; 213).

Another pressure on the budget is the employee pension system. McPeak explained that for PERS and PFRS, the County's liability for the last several years was waived since the pension systems were overvalued and investments were good. (Tr. at 218). The County will now have to fund its contributions, which will be approximately \$800,000 in the 2004 budget. (Tr. at 218). The County will phase in its contributions over five years at 20% per year, and by the fifth year, the County will pay approximately \$4 million per year. (Tr. at 218-219). Thus, the County will need to pay a multimillion dollar pension expense that it has not had to pay in recent years.

McPeak also emphasized the increased costs of health benefits and retiree health benefits. McPeak explained that from 2000 to 2002, the County had a \$4 million increase in the cost of health benefits. The 2003 increase is expected to be approximately \$3 million. Furthermore, the cost of the County prescription plan doubled from 1999 to 2003.

McPeak and Dodson both confirmed that those staggering increases were the reason for the County's health benefits proposal. (E-12; 21-22).

The flat tax base and increased expenditures have resulted in the necessary generation of more revenue. In 2002, the County raised the tax levy by \$15 million on a budget of \$208 million and in 2003 it increased \$12 million on a budget of \$300 million (Tr. at 208-209). The County contends that it has a poor tax rate situation. The County's tax rate has been steadily increasing over the past five years, rising from .82 in 1996 to .89 in 2003, an 8.5% increase. Camden has the third highest tax rate in the State. (E-17; E-29). Camden's high tax rate indicates that the tax levy is increasing at a faster pace than its tax base. (Tr. at 203). Furthermore, Camden has the third highest tax levy per capita of the eight southernmost counties. (E-35). Currently, 70% of the County's budget is funded with taxes. (Tr. at 204; E-12). This means that only 30% of the budget is funded by other revenues such as fees and investments. The County has seen those "other" revenue sources decline. For example, five years ago the County was receiving slightly over \$10 million from the State for housing state inmates. (Tr. at 233; E-18). In 2003, the figure is not expected to reach the budgeted amount of \$4 million. Furthermore, the revenue from "pay-to-stay" has decreased from \$500,000 to \$200,000. (E-13, P-37).

The County notes that it is issuing more debt. Camden County's debt is .97% of the average of the last three years' equalized valuation. (E-12). By law, this figure may not exceed 2%. (E-12). Although the debt statements make it seem like the County's debt ratio is dropping, that is not a true picture of Camden's debt scenario. (Tr. at 205).<sup>4</sup> The debt statements do not include the debt of the Camden County Improvement Authority which the

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<sup>4</sup> P-21 is of limited value because it does not show the true picture of the County's debt. That schedule covers only bonded debt that is covered by the statute. As McPeak explained, the figures are somewhat misleading because the County is not required to include guaranteed debt in these calculations. (Tr. at 243).

County guarantees. (Tr. at 205). Thus, the annual debt statement, while fully compliant with relevant law, underestimates the County's true debt picture.

The County notes that two independent rating agencies cited severe deficiencies in the County's finances. Standard & Poors rates Camden County as A+. The highest rating is AAA with many levels between A+ and AAA. (Tr. at 227-238.)

Moody's, another credit rating agency, rates Camden County as A1 which is well below the top rating of AAA. (E-35; Tr. at 237-238.)<sup>5</sup> The County sought an upgrade in its credit rating in 2000 which Moody's denied based on the amount of debt the County was issuing and the County surplus. (E-35). Moody's pointed out that several key financial criteria "either have not improved as required or have worsened, reversing a previous positive trend in the County." (E-35). Moody's expressly instructed the County to increase surplus to better its credit rating. (E-35). Moody's had concerns that the County income levels are below the State average. The County notes that A1 is the seventh worst bond rating of all the counties.

The County asserts that its last offer conforms to a comprehensive and uniform policy, which was implemented due to the severe fiscal constraints it is currently facing. Part of the County's financial planning includes limiting the increases provided to the County's employees. The County recognizes that its employees deserve a fair increase in wages, but it must also meet its other fiscal obligations. An award above the County's last offer will result in a decrease in spending on other services and reduce overall services to the residents of Camden. Thus, any increase in expenditures will almost certainly increase taxes. (E-12). The County asserts that, with the current tax rate, it cannot afford to fund the PBA's proposal.

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<sup>5</sup> The PBA attempted to portray the County as having a AAA rating. However, that rating was that of the insurance company issuing the bonds. Because the County made the decision to purchase bond insurance, paying a premium for that, the bond rating was automatically AAA because it was an insured transaction. (Tr. at 237).

The County submits that its last offer will not require increased taxes or decreased services, but will allow the Camden Correction Officers to receive increases which match those awarded to other Camden law enforcement units, which are greater than those provided to most other public and private employees.

The County asserts that raising taxes is not practical and conflicts with the "public interest" criterion. The County submits that an award higher than the County's final offer runs contrary to these legitimate governmental objectives. The County submits that its last offer is the more reasonable under the financial impact criterion.

#### Cost of Living

The County presented evidence concerning the Consumer Price Index (CPI) for all urban consumers in Philadelphia, Wilmington and Atlantic City from 1993 to present. (E-126). In addition, the County showed the difference between the CPI from New York, Northern Jersey and Long Island and the CPI from Philadelphia, Wilmington and Atlantic City. The evidence shows a substantial differential in CPI between northern New Jersey and southern New Jersey, with southern New Jersey's CPI remaining much lower. Moreover, the evidence shows that, over the past ten years, salary increases for the Correction Officers have outpaced the CPI by 20.33%. The 2002 CPI percentage change for Philadelphia, Wilmington and Atlantic City was 1.5 % compared with the Correction Officers' salary increases of 3.75%. The Camden Correction Officers' salary greatly exceeded the Employment Cost Index, and is in the 90<sup>th</sup> percentile. (E-2; E-126; E-130-131).

The CPI annual increase averaged 2.4% over the last ten years. (E-130). The County's offer of 4% in 2003, 2004 and 2005 outpaces that average by 1.6% per year. The County asserts that its last offer provides reasonable wage increases resulting in real wage increases above the cost of living. The County asserts that it has shown that its wage proposals are well above the CPI increases over the past several years. (E-126 - E-131).



### The Interests and Welfare of the Public

The Arbitrator must consider the “interests and welfare of the public” in determining his award. N.J.S.A. 34:13A-16g(1); Hillsdale PBA, 137 N.J. at 83. (E-9). In the Appellate Division’s decision in the Hillsdale matter, the Court found that the public interest factor “focuses in part on the priority to be given to the wages and monetary benefits of public employees within a [county’s] budget and plans.” Hillsdale, 263 N.J. Super at 188:

“It is not enough to simply assert that the public entity involved should merely raise taxes to cover the costs of a public interest arbitration award. That would also conflict with other enumerated factors and render them hollow.”

The New Jersey Supreme Court emphasized that “the public is a silent party” to the interest arbitration process, and that “an award runs the risk of being found deficient if it does not expressly consider” the public interest. Hillsdale, 137 N.J. at 82-83. (E-9).

The County asserts that its last offer is reasonable under the County’s stated budget priorities and fiscal responsibilities and that an award that exceeds the fiscally responsible budget is in direct conflict with the interests and welfare of the public. The County submits that its last offer is more supportive of the interests and welfare of the public and falls within the tight parameters budgeted by the County. The PBA’s proposal exceeds these parameters and will require the County to either move items from elsewhere in the budget or increase taxes. This will cause a reduction in funds to other programs or further increase the tax burden upon Camden County residents.

The County notes that it used a greater percentage of the previous year’s surplus to fund its budget. (Tr. at 208-210). Between 2000 and 2001 the County’s year-end surplus dropped by \$1 million because of large increases in health benefit costs and interest arbitration awards that exceeded the budgeted pattern. The County closed that gap with the tax increase. The County has only two options: curtail spending or increase revenues. The

County notes that it can increase revenues by raising the tax rate, a solution not desired by the public, and not in the interests or welfare of the public.

The remaining solution is to curtail spending. If the PBA's proposal is awarded, the extra money will need to be taken from elsewhere in the budget. Other services provided by the County will be reduced or eliminated. The County contends that any reduction in other programs and services is against the interests and welfare of the public since each program supports an equally important public interest, be it improvement of infrastructure through better roads, or improvement of park land.

The County maintains that the interests and welfare of the public lie with the more financially sound last offer of the County. The salary increases offered by the County are at or above the rate paid to other public and private employees in the State of New Jersey. It is the same last offer as that agreed to by the Correction Superiors, Park Police, Prosecutors Superiors, Prosecutors Investigators and Fire Marshals bargaining units for 2003-2005. The County contends that the PBA provided no evidence that its proposal will improve the level of services provided by the Correction Officers in the Camden Corrections Department, nor that these services are currently deficient in any way. The County maintains that employees of the Corrections Department enjoy high morale, are adequately compensated, productive and efficient. The County asserts that it continues to attract and retain employees. The County asserts that this factor weighs heavily in favor of the its last offer.

#### **Stipulations of the Parties**

The County stipulated that the 2004 increase for Prosecutor's Investigators was 4%. (Tr.at 284). The County further stipulated that the retiree health benefits proposal was advanced to all bargaining units. (Tr. at 317).

### The Lawful Authority of the Employer

The Appellate Division in Hillsdale interpreted the “lawful authority of the employer” criterion (N.J.S.A. 34:13A-16g(5)), to refer to the Local Government CAP Law, found at E-19. Hillsdale, 263 N.J.Super at 193. The County submits that applying the lawful authority criterion, the Arbitrator must address the County’s budget CAP situation, and the statutory requirement that the County prepare a balanced budget each year.

The County cites McPeak’s testimony regarding the CAP. McPeak explained that the CAP is a limitation on how much a County can raise its tax levy. In 2002, the County used a 1% index rate, although the law permits an index rate as high as 5%. McPeak compared the County actual tax levy to that allowed under the index rate. The County’s tax levy has been at or close to the maximum allowable under the CAP for at least the past four years. In 2003, the County was forced to raise the CAP from 1% to 4%. The County used the entire CAP bank in 2003, resulting in a severe situation in 2004 because of the limited bank. The CAP increase was required because of increased expenditures, particularly health benefits. The County anticipates that further budget cuts will be needed to comply with the CAP law. (Tr. at 121; E-12; E-14).

McPeak discussed the CAP bank. Under the statute, a County can carry unused CAP monies from the previous two fiscal years. The decision to raise the CAP index will significantly reduce the CAP bank for 2004. Since the County used 4% of the 5% maximum CAP bank in 2003, the 2004 CAP bank is seriously eroded. McPeak expressed “great concern” because if the same situation arises in 2004, the County will be left with a “Hobson’s” choice between increasing the CAP and cutting appropriations. Although there was no CAP bank problem for 1999, 2000 and 2001, there is a problem now. (Tr. at 222). The County submits that it is exercising fiscal caution by not using a full 5% cap.

The County asserts that the evidence shows that its last offer is more reasonable in light of the lawful authority of the employer. The proposed contract is for a term of 2003 to 2005. The 2003 budget is complete. The County submits that it is impossible to increase that budget beyond the allocated amount. Any award greater than the funds budgeted by the County will need to come mostly from the 2004 budget, leaving the County a very limited area in which to make the budgetary reductions necessary to fund such an award.

The County asserts that the PBA proposals will throw the budget into disarray. The County asserts that this factor is supportive of its last offer.

### **Overall Compensation**

The Arbitrator must consider the overall compensation received by the Camden Correction Officers. The average base salary in 2002 is \$46,290. The County notes that Correction Officers receive a wide array of economic benefits including: personal days and holidays, medical insurance benefits (including a dental plan), uniform allowance of \$1,025, and paid vacation days. Correction Officers are also enrolled in the Police and Firefighters Retirement System, a pension system which permits an officer to retire after twenty years of service and receive a pension benefit equal to 50% of final compensation, or after twenty-five years of service, up to 65% of final compensation.

The per capita income for Camden County residents is \$22,354. The average Camden Correction Officer's base salary in 2002 is more than twice the amount of the income of the average taxpayer who funds the Correction Officer's salary. The County asserts that its last offer will permit the PBA unit to maintain its substantial premium over the average Camden resident. The County contends that the PBA's last offer would permit the unit to increase its substantial differential over the Camden County taxpayers who fund the increase. Thus, this wage differential would increase as the Camden residents would

have less disposable income due to the tax increase required to pay the higher PBA salaries. The County notes that the department has high morale, is adequately compensated, is productive and efficient and can attract and retain employees. The County asserts that its last offer is more reasonable under this factor.

### **Continuity and Stability of Employment**

The “stability and continuity of employment” criterion, N.J.S.A. 34:13A-16g (8), concern issues such as the likelihood of layoffs, “give-backs” and salary freezes. Hillsdale, 263 N.J. Super at 195. The Appellate Division interpreted this criterion to also require arbitrators to consider factors such as the employer’s overall salary structure, the rate of unemployment generally, employee turnover, and the “virtual absence of unemployment among police.” Fox v. Morris PBA 151, 266 N.J. Super. at 519. (E-10).

The average seniority for Camden Correction Officers is 7.2 years. (E-3). Dodson testified regarding E-64, which shows that the gross turnover in this unit ranged from 6.15% to 7.69%. However, when deaths, retirements and removals are taken out of the figures, the true turnover rate is between 3.08% and 5.7%. Dodson maintained that the County did not have a turnover problem, noting the high number of voluntary resignations. (Tr. at 235-236). Warden Owens conducts exit interviews with Correction Officers that leave the department. Although the PBA provided evidence that 6 - 8 officers left the facility to go to the Gloucester County facility, the County notes that only three or four officers over the past three to four years left to go to Gloucester. Two of those officers regret that they left the Camden County facility. (Tr. at 174; E-166; E-169).

The County cites the Warden’s testimony that most Correction Officers leave the department to go to municipal police departments. (Tr. at 175). The Warden identified that this is common and consistent with his experience. The County contends that Correction

Officer positions are perceived as "entry-level" law enforcement - a way to get one's foot in the door and obtain another law enforcement position.

Dodson testified that the County would be undergoing a reduction in force of 20% in the freeholder departments and 10% for other officers. (Tr. at 236; 238). Dodson prepared E-163 and E-164 which outline those personnel goals and the specific results of those goals. Dodson and Owens confirm that Corrections has met its personnel goal, and is not targeted for reductions in force. (Tr. at 167; 240; 274).

The County asserts that the Correction Officers enjoy secure and stable employment, without the threat of a job loss which is the norm in many private corporations and other government positions. The County submits that this is in complete contrast to the current climate in New Jersey and across the nation. (E-102 to E-125).

The New Jersey Appellate Division noted that there is a "virtual absence of unemployment among police." (Fox, 266 N.J.Super. at 519). This is not so for non-police employees in New Jersey, in which the unemployment rate continues to rise. While general employment in New Jersey decreased, government unemployment rose. (E-119). The New Jersey unemployment rate for 2002 climbed from 4.5 to 5.5 % in 2002 and climbed in July 2003 to 6.2%, up from 5.8% a month earlier. (E-121; E-125). This translates to 9.1 million people being unemployed. (E-125). The August 2003 nationwide jobless rate of 6.5 % was a nine year high. (E-120; E-123). Moreover, the rash of mass layoffs and downsizing that is the trend in both the private and public sectors do not affect Camden Correction Officers. The unemployment rate in June and July of 2003 was 6%. (E-27). According to the County, there is a current list of eligibles (promulgated by the Department of Personnel) which includes 180 names of individuals interested in employment as Correction Officers. (E-65).

The County contends that the PBA's last offer may jeopardize continuity and stability of employment of Correction Officers. The County submits that the evidence on this factor supports the County's last offer.

### **Health Insurance**

The County cites Dodson's testimony in support of its health care proposal. The County has seen major increases in its health benefits plan, requiring significant changes in its health benefits package. (Tr. at 255). The County's health care costs doubled between 1999 and 2003. (Tr. at 256; E-21, E-22). Between 2000 and 2002, health benefits costs increased by \$4 million. (E-12). The 2003 increase is expected to be \$3 million. (E-12). One of the three major problems in the 2002 budget that resulted in a tax increase was the significant increase in health and prescription costs. Similarly, the huge increase in health benefits was a driving factor behind the increase in the CAP index rate from 1% to 4%. (Tr. at 222).

The County currently provides two self-funded plans: a PPO and a traditional indemnity plan. The County also buys three HMO services: Aetna, AmeriHealth and Blue Cross/Blue Shield. The prescription plan is a self-funded plan.

The prescription costs have been increasing each year for the past ten years and are approximately \$10 million per year. (Tr. at 216, 259, E-12, E-22). Prescription costs have doubled since 1999, from \$5 million to \$10 million in 2003. (E-12). The last time this unit saw a prescription co-pay increase was in 1999. (Tr. at 259). The County notes that arbitrators have awarded prescription co-pay increases to Camden County employees, notably, the Sheriff's Superior Officers. (Tr. at 262).

The County asserts that the prescription co-pay increases would not greatly affect many employees in this bargaining unit. Employees subject to \$11 and \$6 co-pays (those

making more than \$70,000) would be one or two sergeant investigators. With an average unit salary of \$46,290, most employees in this unit will fall within two categories, either the \$50,000 to \$70,000 range with co-pays of \$8 brand name and \$4 generic or the \$30,000 - \$50,000 range with co-pays of \$6 brand name and \$2 generic. All sergeants would pay the \$8 and \$4 co-pays. (Tr. at 298-300).

The County submits that the proposed prescription co-pays are in line with the co-pays paid by other comparable County Correction Officers. (E-42). Currently, the Correction Officers have the lowest prescription co-pays except for the Sheriff's Officers who are currently in interest arbitration and have been offered the same co-pays. (Tr. at 261, 262; E-42). Two of the eight southernmost counties have \$20 co-pays. (E-61). The overwhelming health benefits increases were a major reason for the County's million dollar drop in surplus in 2001 (Tr. at 209).

The County asserts that it provided undisputed evidence regarding the current health care landscape and the rising costs.<sup>6</sup> Recently, the Kaiser Family Foundation conducted a survey of health benefits. That survey found that health benefits premium costs are continuing to rise and that in 2003, almost half the employers were planning to increase prescription costs. (E-134). Moreover, employers are consistently seeing double digit increases and employees are paying more for less benefits. (E-140). Premiums increased by an average of 13.9 %, the highest increase since 1990. (E-149). Employee benefits costs are the highest in the Northeast. (E-149). The average drug prescription generic co-pay is \$9.00 and the brand-name co-pay averages \$19. (E-149). These 2003 numbers are higher than the figures the County is proposing.

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<sup>6</sup> The PBA's benefits witness, Laura Fanuele agreed that employers are concerned about the cost of health benefits and are seeking ways to cut costs.



Similarly, UCLA conducted a survey of 460 companies, which overwhelmingly found that employers are seeing premiums rise by at least 10% over the past year. Furthermore, 25% of those surveyed saw premiums rise by more than 25%. The employers' reacted to those staggering premium increases in many ways. The most common method was to raise co-payments or deductibles, followed by raising employee contributions to premiums. Over 60% of employers raised employee contributions and over 70% of surveyed employers raised co-payments or deductibles. Almost uniformly, employees are required to pay more for health benefits. Without question, employers are passing on the increased costs to employees. (E-135-136; E-143).

Similarly, Watson Wyatt Group did a survey on employee benefits in 2002. That study found that medical benefits companies have had three consecutive years of double digit increases. Like in the UCLA study, the responding employers' plan was to require increased employee contributions and deductibles in 2003. Similarly, noting the marked increase in prescription drugs, employers are seeking increased co-pays. (E-137).

Many newspaper articles have also discussed the disastrous state of health care costs. The Wall Street Journal reported that some companies have prescription co-pays as high as \$40. Moreover, premiums are increasing on average 12-15 %, with an average increase of 14.7%. Closer to home, the New Jersey Business and Industry Association forecasts a 13.5% average increase in 2003. (E-142-143).

The Mercer/Foster Higgins Survey also identified that the Northeast region has the highest benefits costs of any other region in the Country. This survey reaffirmed the accelerating health costs (11.2% on average) and the intention of many employers to raise employee contributions in 2002. The double-digit cost increase trend is expected to continue. The survey shows that 34.3% of employers are increasing prescription co-payments.

Moreover, a greater share of the increased costs are being passed on to employees. The survey also showed that in 2001, the average generic prescription co-pay was \$9 and the average non-generic prescription co-pay was \$19. The County asserts that its proposal with a maximum co-pay of \$11 is far more generous than the average co-pays in 2001. The survey further notes that “employers made a big move toward the use of “three-tier” benefit design - where the employee pays the least for a generic drug, more for a brand-name drug on the plan’s formulary. This is precisely the type of three-tier system anticipated in the County’s proposal. The survey notes that 35% of prescription drug plans use a three-tier design. The survey further notes that the average co-payment for a non-formulary brand-name drug is \$32; the County proposal’s co-payment would range from \$21 to \$26. The County asserts that while its prescription proposal is in line with other employers, it is well below the average of what other employees pay. (E-138).

The County points out that other arbitrators have granted employers relief on health benefit proposals. For example, in County of Union and Union County Sheriff’s Officer’s Association, PBA Local 73, IA-2001-80, (Arbitrator Frank A. Mason, April 2, 2002), Arbitrator Mason awarded the County’s health benefit proposal which included an increased prescription co-pay, increased contributions for doctors’ visits, increased premium contributions and increased deductible. Specifically, the arbitrator awarded a prescription co-pay schedule which ranged from \$5 to \$15 co-payments. Arbitrator Mason was persuaded that other County units who voluntarily adopted the health benefits plan “have concluded they have a part to play in holding down the County share by accepting responsibility for a reasonable proportion of the costs.” Arbitrator Mason was also persuaded by the goal of “avoidance of deviations from County-wide plans which would be administratively burdensome and costly.” (E-141). The County notes that the PBA provided an interest

arbitration award in which I awarded a version of the County's health benefits proposal, including increased prescription co-pays. (Burlington County and Burlington County Corrections Officers, PBA Local 249, IA-2001-60, September 30, 2002.)

The County asserts that its prescription proposal falls in line with what other employers are doing in the State.

The County notes that its health benefits proposal has been agreed to in its entirety by other law enforcement bargaining units including the Prosecutor's Investigators, the Prosecutor's Superior Officers, the Correction Superior Officers, Fire Marshals and Park Police. The County expects to save \$1.7 million by implementing these changes with all 2,500 County employees. This bargaining unit represents approximately \$120,000 in savings if the health benefits proposal is awarded. (Tr. at 257). This savings includes the \$18,000 that the County would save by eliminating the "opt out" provision. (Tr. at 308).

Dodson explained the differences set forth in the insurance proposal. Dodson explained that the amount of prescription drug co-pay was based on an employee's salary range, with higher paid employees paying higher co-payments. Furthermore, if an employee uses a prescription drug which is not the most cost-effective choice, the employee will pay an extra \$15 for that prescription. The County points out that it will not be deciding who pays the extra \$15. A trade association determines commonplace drug treatment methodologies and produces a guide. The County's third-party administrator, Systemed, applies the guidelines and makes an unbiased determination based on guidelines established by the trade association. Physicians either know what formularies are on the plan or can access the information via the Internet to insure that they are not writing prescriptions which would incur the extra \$15. There is no evidence that Systemed had problems or issues with their formularies. (Tr. at 300-303; 351).

The County notes that the PBA's health benefits witness, Laura Fanuele, testified that she has recommended cost containment measures, including co-pay increases. Fanuele acknowledged that the County's proposal does not reduce benefits. The County's proposal merely shares costs with the employees. (Tr. at 351-353).

The County notes that the payment of a portion of health care and prescription costs is for new employees only: no one in this unit will be affected by the proposed change. (Tr. at 257-258; E-6). The premium contribution is capped at 5%; therefore, the maximum a new employee with a base salary of \$28,499 would pay would be \$1424. (Tr. at 295). Currently, new employees contribute 20% for health benefits. (Tr. at 295; E-2). Additionally, the proposal that spouses opt out<sup>7</sup> affects a maximum of four couples in this unit. (Tr. at 258; E-6). The County is also proposing that the opt out be frozen at the set dollar figure, rather than the ever-changing 50% of premiums. (Tr. at 314). The opt out would not be provided to elected officials. The County notes that by eliminating opt out there is no loss of benefits. The only loss is a payment which was made for people not participating in benefits. The County submits that there is no rationale to provide a monetary reward for having health benefits. All of the seven units which have agreed to the pattern have this opt out provision. (Tr. at 311). The County maintains that many changes to the health benefits plan do not affect current employees in this unit.

The section 125 cafeteria plan is also for new employees. This is a mutual benefit because the money is pretax, saving both the County and employee money.

The rationale for the dependent change is to standardize the definition of dependent between the self-insured plan and the HMOs. Currently, the three HMOs define an individual

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<sup>7</sup> Opt-out is the concept whereby if one of two related employees on the payroll opted not to receive insurance, the County would pay that employee 50 % of the premium savings to opt out of the insurance program.

as a dependent until the month the dependent turns twenty-three or nineteen; the County wishes to have all of its plans have that same definition for dependent. (Tr. at 306).

The County disputes Fanuele's testimony on the opt out proposal. Fanuele stated that with this proposal "there will be some substantial out of pocket costs to these employees." (Tr. at 348). The County submits that employees will not be paying more for benefits because of opt-out. The County's proposal results in slightly less money going into the employee's pocket for being eligible for double benefits.

There is a distinct benefit to the County of having all employees on the same health benefits plan, including costs associated with administering many plans. Having all employees in a single plan furthers the legislative goal of settlement; if the bargaining units see uniformity of health benefits, negotiations will be that much smoother and settlements more quickly reached. When employees have the same benefits plan, morale and a sense of being treated fairly exist. It is simply good management to have consistent health benefits. All units who have settled their contracts and management have the identical health benefits package proposed herein; that is compelling evidence that the employer has established a legitimate reason for its proposal.

#### **Legal Defense**

The County proposed a modification of the provision of legal defense. The County's proposal seeks to eliminate payment of legal fees for an employee who is facing disciplinary charges, who has violated County policy or Corrections policy or who is facing criminal charges. The County believes that it should not pay for defending individuals engaged in wrongdoing. Dodson identified several recent scenarios in which the County was required to provide a legal defense in troubling circumstances. These included an officer who provoked and participated in a barroom brawl, and an officer who committed actions that

may constitute sexual harassment. The PBA grieved the County's failure to provide legal representation. The Warden confirmed these circumstances and another in which the County was required to provide legal defense for a Correction Officer who had violated the law. In one case, the officer had a sexual relationship with an inmate. The employees involved in the barroom brawl and sexual relationship with an inmate were both Correction Officers. The Warden believes that the County should not provide legal defense for those who have broken the law. The County's proposal is intended to narrow the circumstances under which the County would have to pay an errant employee's legal fees. The Warden agrees that Correction Officers should have legal representation as a legitimate result of their jobs; however, the policy as currently written has been consistently abused. (Tr. at 183-186; 332).

Dodson explained that the Correction Superior Officers, who supervise this group have agreed to similar contractual language. (Tr. at 264; E-150). The Correction Superiors CBA precludes coverage "for conduct contrary to County or Institutional policy, for defense in a disciplinary proceeding instituted against him/her by the County or for any criminal charges." The Prosecutor's Investigators also agreed to the language. The Sheriff's Superior Officers had this language awarded by an arbitrator. Dodson acknowledged that the language is not identical; however, the language is very similar. (E-50).

### **Overtime**

The County proposes that the Warden may schedule days off so that overtime is avoided in cases of gun qualifying range time or training. The current practice is that officers who schedule range time are paid overtime. The County submits that this flexibility in scheduling will reduce the overtime the County is paying.

The County asserts that it has established legitimate and compelling reasons to support each of its proposals.

### Senior Officer Differential

The PBA proposed a "senior officer" differential for officers who have twenty or more years of service. The senior officer differential provides a salary adjustment equal to half the difference between the top step Correction Officer pay and the top step Sergeant. This differential is included in base pay.

The cost of this proposal over the full term of the CBA is \$19,444. (E-62). The County notes that while the initial cost is relatively small, this item will escalate in two ways. As Correction Officer salaries increase, so will the differential. Second, as more Correction Officers reach the 20-year mark, the County's cost of this proposal will increase exponentially through the years.

The County notes that two Camden County law enforcement units have a senior officer differential: the Prosecutors Investigators and the Sheriff's Officers. The Sheriff's Officers were awarded a senior officer differential in arbitration. The County notes that an arbitrator denied the Sheriff's Superior Officers' request for a senior officer differential in interest arbitration, based on the Sheriff's rank-and-file award. The Correction Superior Officers, who supervise this group, do not have a senior officer differential. The Park Police and the Prosecutors Superiors do not have a senior officer differential.

Moreover, of the eight southernmost counties, no County Correction unit has a pure senior officer differential. (E-155-E-161). Only two Correction units - Mercer and Middlesex - have a senior officer differential.

The County notes that the PBA provided no analysis on senior officer differential benefits of other Camden County law enforcement units, and did not provide any reasons why the senior officer differential benefit is needed. The County submits that the PBA did not meet its burden on this issue.

### Uniforms

The PBA proposed that the County pay for the costs when the County modifies the uniform requirement. The County asserts that the uniform allowance is to purchase and maintain uniforms. The annual uniform allowance is \$1,025, which is the highest uniform allowance of all County rank-and-file law enforcement units. It is the third highest uniform allowance of the eight southernmost County Correction Officer Units. Only one CBA in evidence has a higher uniform allowance.

The County cites Grundlock's testimony that the recent uniform change requested by the County cost \$500 for four new uniforms. (Tr. at 52). The County submits that the other \$525 is for dry cleaning and other miscellaneous expenses. There is no evidence that Grundlock spent anything other than the \$500. The County notes that there has not been any uniform change in the last five years. (Tr. at 87).

The County submits that the PBA did not meet the burden to justify a change in the uniform allowance.

### Holidays

The PBA proposes that the entire holiday benefit be folded in and paid along with regular payroll and utilized for all computation purposes. An employee who works on a holiday would continue to be paid the overtime rate.

According to the County, the Correction Officers currently receive double time and a half for holidays - 8 hours pay for each holiday and if the officer is required to work on a holiday, time and a half for all hours worked. The Correction Officers' proposal is to fold ninety-six hours (12 eight-hour holidays) into base pay. This proposal will increase the costs of vacation, sick time, overtime calculations, longevity and pensions.



Dodson testified that if the PBA proposal is awarded, there would no longer be an incentive for Correction Officers to report to work on the holidays. Since the holidays will already be included in the salary, there will no longer be the premium pay for holiday work; therefore, no incentive to work the holiday exists. (Tr. at 272). Thus, the call-out problem and corresponding mandatory overtime or "stick" problems would be exacerbated.

The County contends that the PBA submitted no valid evidence concerning this proposal. None of the contracts submitted by the PBA fold holiday pay into base pay. The PBA's proposal raises the hourly rate for overtime calculations and the overall base pay for longevity calculations, but is not supported by any of the statutory criteria. The County requests that the PBA's proposal be denied.

#### **Vacation Days**

The PBA proposes that two sergeants and four correction officers be granted vacation time off for each shift each day of the calendar year for the Main Jail; one Sergeant and two Correction Officers for Admissions; one Sergeant and one Correction Officer for Administration; and one Correction Officer for Maintenance. The only exception to this rule will be for overriding emergent operational needs.<sup>8</sup>

The PBA's proposal is "to allow more people off per day." (Tr. at 53). The Warden confirmed that the proposal will negatively impact the facility by permitting eighteen officers off per day - 6 officers on each of three shifts. (Tr. at 177). The Warden does not see how the Correctional Facility could function if this proposal is awarded. (Tr. at 178). The County contends that the PBA's proposal will exacerbate the "stick" problem or mandatory overtime problem of which Grundlock complained of in his testimony. (Tr. at 28-29). Moreover,

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<sup>8</sup>Although the proposal purports to permit denial of time off for "overriding emergent need", the proposal places a "burden" on the employer to establish such a need. This "burden of proof" element opens the door to grievances over the denial of vacation because the employee feels the employer's burden was not met, increasing time spent processing grievances, burdening the process and inefficiently using jail resources.

because more officers are calling out sick, having more officers off on vacation each day will result in more "sticks" and therefore more fatigue and sick call outs and raise the County's labor costs.

The County notes that no Camden County rank-and-file unit has a provision which mandates the minimum number of employees who can be off on a vacation. (E-154). None of the eight southernmost correction contracts have this provision. None of the contracts provided by the PBA contained such a vacation provision. The evidence shows that no employee has lost vacation. (Tr. at 93; 178).

The County asserts that the PBA has failed to provide any support for its proposal on vacation days and requests that it be denied.

#### **Longevity**

The PBA proposes a deletion of the "maximum" column that limits the amount of longevity. It also proposes that all longevity benefits be folded in and paid along with regular compensation in the regular payroll process. The longevity benefit value would be used in all calculations. The cost of eliminating the cap on longevity for the first year alone is \$377,326. (E-167). This first year increase more than doubles the cost of the longevity benefit. The longevity benefit will keep rising with continually increasing salaries.

The County notes that this unit is one of the few Camden County law enforcement units that receive longevity. The Park Police Unit and the Sheriff's Officers Unit do not receive longevity (Tr. At 269 - 270; E-58; E-151). Furthermore, of the contracts submitted by the PBA, those few contracts that included a longevity provision all had a cap on the amount.

The County asserts that the PBA has not met the burden to justify a change in longevity.

### Work Rules

The PBA proposed the addition of the statutory provision requiring that new rules or modifications of existing rules governing working conditions be negotiated with the majority representative before they are established. The County submits that the PBA provided no rationale for including the statutory language in the contract. The statute speaks for itself and does not need to be included in the contract. Furthermore, the Warden does not understand the need for the proposal since the County has never had a grievance on any work rules the Warden has implemented. (Tr. at 180). The County asserts that the PBA has not shown a legitimate reason for the change.

### Full Release Time

The PBA proposes that the PBA president be placed on regular day shifts and permitted to work full time on Association business. Grundlock testified that currently the PBA president is placed on a day shift and is permitted two days off per month to attend to PBA business. (Tr. at 55-56). The Warden states that the PBA President has never complained that the time was insufficient and he could not recall a single incident in which the PBA President was denied time off to attend to PBA business. (Tr. at 180-181). Furthermore, the PBA has filed no unfair practice charges and very few grievances. (Tr. at 181). The PBA made no allegation that this was not enough time to handle PBA business, nor did it give any examples where it was not handled in a timely manner.

Dodson testified that the cost of this proposal is \$69,344. This figure includes the base salary and fringe benefits. No Camden rank-and-file law enforcement unit has full release time. Furthermore, none of the contracts supplied by the PBA have full release time for union representatives. (Tr. at 272-273; E-62; E-153).

The County asserts that the PBA has not met its burden to show a legitimate reason for the proposed change.

### **Grievance Procedure Definition**

The PBA seeks to change the definition of what is a grievance. The County asserts that there is no record evidence of problems with the current language. To the contrary, the evidence reflects few grievances and an excellent working relationship between the Warden and the members of this bargaining unit.

During the hearing, the PBA emphasized the "minor discipline" aspect of the proposal. The PBA alleged that any "appeal" of minor discipline would have to go to Superior Court to be heard. (Tr. at 56-57). The PBA provided no information about how often these appeals were made or how often minor discipline was imposed. Furthermore, the PBA has filed no unfair practice charges and very few grievances. (Tr. at 181). In fact, the Warden explained that they work out problems internally. "[The Union] and I meet and we solve problems before they become big ones." (Tr. at 192).

The County asserts that the PBA has not met its burden and that the proposal should be denied.

### **Conclusion**

The County asserts that its last offer is more reasonable, in line with an established pattern of settlement and should be awarded in its entirety.

## Discussion and Analysis

I am required to decide a dispute based on a reasonable determination of the issues, giving due weight to the statutory criteria deemed relevant. Each criterion must be considered and those deemed relevant must be explained. I am required to analyze the evidence on each relevant factor and explain why any factor is deemed not to be relevant. I have carefully examined, considered and weighed all of the testimony, the documentary evidence included in the 225 exhibits and the arguments of the parties. I have examined the evidence in light of the statutory criteria. Each criterion has been found relevant, although the weight given to different factors varies, as discussed below. I have discussed the weight I have given to each factor. I have also determined the total net economic annual changes for each year of the agreement in concluding that those changes are reasonable under the statutory criteria.

A governing principle that is traditionally applied in the consideration of wages, hours and conditions of employment is that a party seeking a modification in an existing term or condition of employment bears the burden of establishing a need for such change. This principle shall also be applied to new proposals.

I shall set forth the award at this time so that, in discussing the evidence and applying the statutory criteria, the terms of the award will be the reference point rather than the parties' last offers. The parties related the evidence and its arguments regarding the statutory criteria primarily to its offer and to that of the other party. I shall not do so because I have the authority and responsibility to fashion a conventional arbitration award unlike the prior statute that required an arbitrator to select the final offer of one party or the other on all economic issues as a package and then to justify that selection.

Both parties agreed that the duration of the new three-year agreement shall be January 1, 2003 to December 31, 2005. I agree and it is so awarded.

I shall award the following salary increases: annual 4% across-the-board salary increases effective January 1 of 2003, 2004 and 2005, following the application of a \$750 adjustment to top step Correction Officers, Sergeants and Investigator Sergeant.

I shall award the County's health care prescription proposals. I shall retain jurisdiction for sixty days on the sole issue of retiree health benefits pending clarification as to the uniformity of the County's proposed changes.

I shall award new legal defense language; a modification to the uniform provision requiring the County to pay for County directed uniform changes; and assignment of the PBA President to the day shift.

All other proposals of the County and the PBA are denied.

#### Cost of Salary Proposals

The current bargaining unit (at the close of the record) includes 245 Correction Officers, 37 Sergeants and 1 Investigator Sergeant. The total base pay is \$13,555,283. The following is the placement of the 283 Correction Officers on the Salary Schedule in September 2003:

<u>Step</u>	<u>Salary</u>	<u>Number of Officers</u>	<u>Cost</u>
Entry	\$28,499	31	\$883,469
1	\$34,278	18	\$617,004
2	\$39,451	11	\$433,961
3	\$43,228	27	\$1,167,156
4	\$52,138	158	\$8,237,804
SGT	\$58,059	37	\$2,148,183
INV. SGT	\$67,706	1	\$67,706
		TOTAL	<u>\$13,555,283</u>

The calculations of the parties' last offers do not include incremental step increases and roll up costs nor do they assume any resignations, retirements, promotions or additional new hires. Neither party included the incremental costs in their presentations. Historically, incremental costs have not been factored in by the parties. These incremental costs fluctuate depending on the amount of turnover in a bargaining unit. High turnover, while not desirable, tends to keep the public employer's average salary costs down because senior officers are replaced by entry level officers making in some cases less than 50% of the maximum step salary.

Changes since the close of the hearing are not relevant since the parties' salary proposals are based on the same complement of officers. The predecessor CBA expired on December 31, 2002. The only bargaining unit salary increases have been increments. Nearly 70% of the bargaining unit is at the maximum step. Calculations for 2003, 2004 and 2005 do not include the cost of increments.

### 2003

The PBA proposed a 5% across-the-board salary increase to be effective January 1, 2003. The cost of the 5% increase in 2003 (excluding increments) is \$677,764. The PBA also proposed a senior officer differential, increased longevity benefits, and folding in of holiday pay in 2003. The additional cost of these benefits is \$19,444 for senior officer differential, \$201,401 for uncapping longevity and \$79,026 for folding in holiday pay. The cost of the PBA's salary proposals in 2003 (excluding increments) is \$977,635. The total cost of the PBA's salary proposal in 2003 is \$14,532,918 (excluding increments).

The County proposed a 4% across-the-board salary increase to be effective January 1, 2003. The cost of the 4% increase in 2003 (excluding increments) is \$542,211. The total cost of the County's salary proposal in 2003 is \$14,097,494 (excluding increments).

I awarded a 4% across-the-board salary increase effective January 1, 2003. This increase shall be computed following the application of a \$750 adjustment to top step Correction Officers, Sergeants and Investigator Sergeant. The total cost of my award in 2003 (excluding increments) is \$14,250,374. The cost of the \$750 adjustment at maximum and the 4% increase is \$695,091. The cost of the awarded salary increases in 2003 is \$282,544 less than the PBA's 2003 salary proposal and \$152,880 more than the County's 2003 salary proposal.

#### 2004

The PBA proposed a 5% across-the-board salary increase to be effective January 1, 2004. The cost of the 5% increase in 2004 (excluding increments) is \$726,646. The total cost of the PBA's salary proposal in 2004 (excluding increments) is \$15,259,564.

The County proposed a 4% across-the-board salary increase to be effective January 1, 2004. The cost of the County's 4% increase in 2004 (excluding increments) is \$563,890. The total cost of the County's salary proposal in 2004 (excluding increments) is \$14,661,384.

I awarded a 4% across-the-board salary increase effective January 1, 2004. The total cost of the awarded 4% salary increase in 2004 (excluding increments) is \$570,015. The cost of the awarded salary increases in 2004 is \$156,631 less than the PBA's 2004 salary proposal and \$6,125 more than the County's 2004 salary proposal. The cost of the awarded 4% salary increase in 2004 is \$6,125 higher than the County's 4% salary proposal because of the compounding effect of the additional \$750 adjustment in 2003. The total cost of my award in 2004 (excluding increments) is \$14,820,388.



## 2005

The PBA proposed a 5% across-the-board salary increase to be effective January 1, 2005. The cost of the 5% increase in 2005 (excluding increments) is \$762,978. The PBA also proposed full release time for the PBA President. The County calculated the cost of this benefit as \$69,344. The total cost of the PBA's salary proposal in 2005 is \$16,091,886.

The County proposed a 4% across-the-board salary increase to be effective January 1, 2005. The cost of the 4% increase in 2005 (excluding increments) is \$586,455. The total cost of the County's salary proposal in 2005 is \$15,247,839.

I awarded a 4% across-the-board salary increase effective January 1, 2005. The total cost of my award in 2005 (excluding increments) is \$592,816. The cost of the awarded salary increases in 2005 is \$239,506 less than the PBA's 2005 salary proposal and \$6,361 more than the County's 2005 salary proposal. The cost of the awarded 4% salary increase in 2005 is \$6,361 higher than the County's 4% salary proposal because of the continued compounding effect of the additional \$750 adjustment in 2003. The total cost of my award in 2005 (excluding increments) is \$15,413,203.

The 2005 base salary under the terms of the award is \$15,413,203. This is \$678,683 less than the PBA's 2005 total salary components and \$165,364 more than the County's 2005 total base salary. The \$165,364 is attributed the \$750 adjustment in 2003. The award of the County's health benefits and prescription co-pay proposal will save "almost" \$120,000 annually according to the Certification of Richard Dodson, the County's Human Resources Director. This will offset the total cost of the salary increases. The calculation does not include incremental step increases and roll up costs nor does it assume any resignations, retirements, promotions or additional new hires.

### **Statutory Criteria**

I shall now discuss the documentary evidence, testimony and the parties' arguments in relation to the statutory criteria.

#### **The Interests and Welfare of the Public**

The interests and welfare of the public require the arbitrator to balance a number of considerations. These considerations traditionally include the Employer's desire to provide the appropriate level of governmental services and to provide those services in the most cost effective way, taking into account the impact of these costs on the tax rate. On the other hand, the interests and welfare of the public requires fairness to employees to maintain labor harmony and high morale and to provide adequate compensation levels to attract and retain the most qualified employees. It is axiomatic that reasonable levels of compensation and good working conditions contribute to a productive and efficient work force and to the absence of labor unrest.

The New Jersey Supreme Court in Hillsdale determined that the interests and welfare of the public must always be considered in the rendering of an interest arbitration award and that an award which failed to consider this might be deficient. This factor requires a balancing of the interests of the taxpaying public calling for the delivery of an appropriate level of governmental services in the most cost effective way together with the need to provide fundamental fairness to the employees who deliver those services. Striking this balance will maintain the undisputed high morale and productivity that currently exists in the Corrections Department and continue to provide adequate compensation levels to attract and retain the most qualified employees.

The work of a Correction Officer is undeniably and inherently dangerous. It is stressful work and is clearly subject to definite risks. Correction Officers are certainly aware

of this condition of employment. This is a given which is usually balanced by the appropriate level of increases in compensation to be received by a Correction Officer from one contract to the next.

I conclude that the terms of my award are consistent with comparable salary increases received by other Correction Officers, other law enforcement officers and other public sector employees generally. I also conclude that the terms of my award are consistent with settlements reached by the County with its other law enforcement bargaining units. Finally, I conclude that my award of the County's health benefit proposal is consistent with settlements reached by the County with its other bargaining units (including law enforcement and non-law enforcement) and with settlements or awards in other counties. This includes health care and prescription cost containment agreements.

The interests and welfare of the public are best served by stable and harmonious labor relations. It is undisputed that Warden Owens and the PBA leadership have fostered an excellent working relationship based on mutual respect and a mutual desire to resolve workplace issues. This is the essence of good labor relations. Uniformity of salaries and benefits is a necessary ingredient in good labor relations. This need for uniformity was an essential element in my salary and health care conclusions. The new terms provide salary increases over the term of the CBA that provide a reasonable increase in base salary and an acceptable increase in real earnings for Correction Officers who perform duties that directly and intimately affect the public's safety and welfare. I conclude that the terms of my award will maintain the high morale that currently exists in the Corrections Department consistent with the requirements of the interests and welfare of the public factor.

### **Comparison of Wages, Hours and Terms of Employment**

This factor requires an analysis of the evidence comparing the wages, salaries, hours, and conditions of employment of Camden County Correction Officers with the wages, hours and condition of employment of other employees performing the same or similar services and with other employees generally. This analysis includes comparisons to private employment in general; in public employment in general; and in public employment in the same or similar jurisdictions in accordance with the guidelines promulgated by PERC.

#### **Private Employment Comparisons**

The first comparison is to private sector employees performing the same or similar services as Correction Officers. It is undisputed that no private sector employees provide the same services as Correction Officers. Neither party submitted salary data on this sub-factor since none exists. A Correction Officer position is a uniquely public sector position that does not lend itself to private sector comparisons. I agree with the analysis of Arbitrator William Weinberg that comparisons to the private sector are difficult because of the exclusive nature of law enforcement. (See excerpt on pages 39-40 of this Award). There is no data in the record to evaluate the comparison to other employees performing the same or similar services in private employment. I have given this sub-factor no weight.

Comparisons can be made to private employment in general. The parties submitted some limited private sector wage data. Neither party provided sufficient salary data for a comparison to private employment in general. The salary data offered by the County compared the average annual wages for private sector employees in New Jersey (\$43,638 in 2002) noting that the average Correction Officer salary in 2002 is 6% higher and that during

that same period of time, private sector earnings increased only 7.7%, whereas state and local government earnings rose 9.5%. The County offered salary data on certain individual settlements that showed contracts with no salary increases in some or all of the contract years. This salary data is anecdotal at best and provides no comparison to average salary increases such as the salary data provide by the Bureau of National Affairs (“BNA”) or other reliable sources of such data.

Neither party provided data to compare their last offers with average salary increases in private employment in general. I take arbitral notice that the Labor Relations Reporter reported that private sector settlements in the first seven and one-half months of 2003 provided an average first-year increase of 3.2% and that the median increases over the same period decreased from 3.6% to 3.0% over the same period in 2002. On June 24, 2002, the Bureau of National Affairs reported that the Wage Trend Indicator dipped to a 3.5% annual wage increase and on November 18, 2004, BNA reported that the current pattern of private sector wage increases “will stick close to 3% into the second half” of 2004.

The current data on average salary increases in private sector employment in general shows that the PBA’s proposed salary increases, the County’s proposed salary increases and the terms of my awarded salary increases exceed the average annual salary increases in the private sector.

### **Public Employment Comparisons**

First, I shall address public employment in general. The County cited several recent interest arbitration awards and settlements that have resulted in wage freezes or lower wage figures than it has proposed. For example, In the Matter of Interest Arbitration Between State of New Jersey, Division of State Police and State Troopers Fraternal Association, IA-

97-7 (December 16, 1998, J. Mastriani), the arbitrator's award included a wage freeze in the first year of the agreement, and an overall increase averaging 3.125% over four years. Similarly, In the Matter of Interest Arbitration Between City of East Orange and East Orange FMBA Local 23, IA-2000-56 (June 12, 2002, B. Zausner) the arbitrator awarded 1% in 1991, 1% in 2000, \$4,033 in 2001 and 3.75% in 2001. In the Matter of the Interest Arbitration between Borough of Fairview and Fairview PBA Local 45, IA-2000-74 (March 14, 2002, J. Mastriani), the arbitrator awarded 3.75% in 2000, 2% in 2001, 2% in January 2002 and 2% in July 2002. While most of this salary data is obviously for contract years before 2002, the average increases in all these selective settlements are clearly lower than the County's propose 4% average annual increases.

All of the salary data in the record shows that the average annual salary increases in public employment in general are below the salary increases proposed by the PBA and more closely approximates the salary increases proposed by the County's proposal and the awarded salary increases. The data on average salary increases in public employment in general is supportive of the awarded salary increases.

The next sub-factor — comparisons in public employment in the same or similar jurisdictions — is the sub-factor that both the PBA and the County emphasized in its documentary exhibits, testimony and arguments in their respective briefs.

The first part calls for comparisons of the wages, hours and conditions of employment of employees performing the same or similar services in the same or similar comparable jurisdictions. These comparisons are normally made to Correction Officers in other counties; to other law enforcement officers employed by Camden County; and to other law enforcement officers in other jurisdictions within the State. This requires an examination

of internal comparability (other law enforcement employees of Camden County) as well as external comparability (other Correction Officers and other law enforcement employees in Camden County and throughout the State).

The second part calls for comparisons of the wages, hours and conditions of employment within the same jurisdiction of non-uniformed employees in negotiations units.

### **Comparison to other Law Enforcement Officers**

The County has reached voluntary agreements with six law enforcement bargaining units: the Prosecutor's Superior Officers, Prosecutor's Investigators, the Park Police, the Fire Marshals, Assistant Fire Marshals and the Corrections Superior Officers. These voluntary settlements provide for 4% salary increases in each year and agreement to the County's health care and prescription proposal. The Prosecutor's Superior Officers bargaining unit 2002-2005 CBA includes increased education benefits in 2002 above the salary increase pattern. The rank-and file Prosecutor's Investigators' settlement also calls for increases above the salary increase pattern with a \$750 adjustment to the top salary step and a \$1,000 adjustment to the Senior Investigator step in addition to the 3.75% increase in 2002.<sup>9</sup> The \$750 and \$1,000 adjustments provide an additional \$1,750 increase for career investigators in the Prosecutor's Office. I have not applied the additional \$1,000 adjustment to the Correction Officer salary schedule because the percentage value of the \$750 increase is higher for a maximum step Correction Officer when compared to a top step Prosecutor's Investigator. The Correction Officer maximum salary in 2002 is \$52,138 whereas the maximum salary of Prosecutor's Investigator in 2002 was \$68,299.

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9. The two Prosecutor's bargaining units received additional salary increases above the 3.75% pattern in 2002. The Correction Officers received a 3.75% increase in 2002. The change in pattern can be attributed to the different expiration dates in the CBAs.

The terms of my award are consistent with the 4% annual across-the-board salary increases provided to all other law enforcement bargaining units comprising Prosecutor's Superior Officers, Prosecutor's Investigators, the Park Police, the Fire Marshals, Assistant Fire Marshals and the Corrections Superior Officers. The \$750 adjustment in 2003 is consistent with the adjustments received by the Prosecutor's Superior Officers and Prosecutor's Investigators bargaining units.

I further conclude that the award of the County's health care and prescription proposals is fully consistent with the agreements reached by the County with the Prosecutor's Superior Officers, Prosecutor's Investigators, the Park Police, the Fire Marshals, Assistant Fire Marshals and the Corrections Superior Officers.

Finally, I conclude that the terms of my award comport with the requirements of this sub-factor.

#### **Comparison to Municipal Police Officers**

The PBA's main contention is that the base pay and total compensation program for Correction Officers is far below the compensation program of their peers in law enforcement. The PBA's analysis of data includes both county law enforcement officers and municipal police officers.

The County disputes the PBA's comparison to municipal police officers asserting that the most appropriate comparison is with other Correction Officers. The County properly notes that the Mission Statement of the Department of Corrections is to provide "safe, secure and humane custody to all inmates." The Civil Service job description for county correction officer is to "guard inmates" "during an assigned tour of duty."



I conclude that the job of a Sheriff's Officer is not comparable to that of a municipal police officer for purposes of maximum salary comparisons. A review of the mission statement, the testimony of the witnesses, and the DOP job descriptions show that the overwhelming responsibility of Correction Officers is the guarding of inmates.

It is important to note that it is undisputed that the Camden County Corrections Department is a highly productive department that enjoys high morale. Warden Owens' testimony confirms that members of the department perform their functions at a very high level.

The following is from the N.J. Department of Personnel ("DOP") "Job Specification" for a municipal Police Officer:

## POLICE OFFICER

### DEFINITION

During an assigned tour of duty, on foot, or in an automobile, patrols a designated area to provide assistance and protection for persons, to safeguard property, to assure observation for the law, and to apprehend lawbreakers; does other related work as required.

### DISTINGUISHING CHARACTERISTICS

Police officers provide services to the public and enforce laws by issuing summonses, apprehending, warning, or taking into custody any lawbreakers.

Police officers patrol designated areas in a patrol car, on a bicycle, or on foot to protect life and property, maintain order, assure the observation of statutes and local ordinances, and apprehend lawbreakers.

Police officers receive dispatches via radio concerning complaints or disturbances which require immediate attention. They investigate complaints of misconduct, suspicious behavior, illegal activities, improper conditions, and other matters. They check the condition of occupied buildings and report anything which appears significant or suspicious. They investigate if signs of tampering are discovered and notify interested persons or headquarters. They also check out cars parked in restricted areas.

The DOP job description confirm that the normal duties of a Correction Officer do not rise to the same level of law enforcement as a Police Officer. The definition and distinguishing characteristics of the DOP job description for a Police Officer, when compared with that of Correction Officer, show that the day-to-day responsibilities of a Correction Officer are unlike those of a Police Officer.

E-64 shows that the turnover rate is between 3.08% and 5.7% when deaths, removals and retirements are excluded. Evidence in the record does not show why employees voluntarily resigned nor does the record include evidence that many Correction Officers resigned to assume municipal police officer positions. I have served as arbitrator in many county Correction Officer cases in which bargaining units experienced high turnover. There is no evidence that Camden County is experiencing the high turnover problems that existed in Burlington, Monmouth, Atlantic, and Warren counties. There is no evidence that the County is losing most of its Correction Officers to municipal police departments.

Accordingly, I conclude that the PBA's reliance on comparability with maximum salaries of municipal police officers is not persuasive. Had the PBA prevailed on this comparison to police officers, a detailed analysis of its significantly above average salary increase would be required.

Let me be clear on this. I have found that the PBA cannot rely on the maximum salaries of municipal police officers to establish a basis for comparable maximum salaries for Correction Officers. However, the average annual percentage salary increases for municipal police officers are relevant in determining comparisons of average increases within Camden County and throughout the State. The PBA's salary proposal is excessive when compared with other settlements and awards throughout the State. The County's salary

proposal and the terms of my award are more in line with average salary increases within the County and throughout the State.

Therefore, I conclude that the current data on average salary increases of municipal police officers is supportive of the awarded salary increases. The PERC data on average salary increases in voluntary settlements and awards for 2003 show average salary increases of reported voluntary settlements as 4.01% in 2003 and average salary increases of all awards as 3.82% in 2003. The PERC data for 2004 and 2005<sup>10</sup> shows that the average salary increases for both voluntary settlements and awards are somewhat higher than the average increases in 2003 and consistent with the terms of my award.

#### **Comparison to other Correction Officers**

This sub-factor calls for a comparison of wages, hours and conditions of employment of employees performing the same services in similar comparable jurisdictions — to Correction Officers in other counties.

The County maintains that Camden Correction Officers compare favorably to other Correction Officer bargaining units. The County submits that the eight southernmost counties (Atlantic, Burlington, Cape May, Cumberland, Gloucester, Ocean, Salem and Camden) are appropriate comparables consistent with the requirements of N.J.A.C. 19:16-5.14(d) which provides comparability guidelines for similar comparable jurisdictions. The County contends that the PBA has failed to show that the jurisdictions submitted are comparable with Camden. The County data shows Camden Correction Officers with the second highest maximum salary and the lowest number of steps to maximum in this grouping. Camden

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10. This data was gleaned from PERC summaries of voluntary settlements and awards for the period January 1, 2004 to August 1, 2004.

takes five years to reach maximum whereas it takes ten years in Cumberland County, and nine years in Burlington County and Ocean County.

It is undisputed that Camden Correction Officers compare favorably with the southern New Jersey grouping. Camden Correction Officers also compare favorably with Sussex and Warren County but do not compare favorably with all other counties and with State Correction Officers. Application of this sub-factor reveals that the Camden Correction Officers compare favorably with half the counties in the State and unfavorably with the other half. I do not believe evidence of higher Correction Officer salaries in other jurisdictions means that Camden County Correction Officers are entitled to those higher salaries. I also do not believe that evidence of lower Correction Officer salaries in other jurisdictions means that Camden County Correction Officers should have their higher salaries reduced.

A number of factors determine salary levels including bargaining history, demographics, ability to pay, labor markets, etc. Salary levels are determined over a long time period and are not subject to major changes from contract-to-contract unless there is evidence that salary levels are not competitive causing high turnover and the attendant expense of continued training. I have encountered the problem of high turnover in other counties. The following is an excerpt from an award in Burlington County:

The parties agree that the single most important issue in this matter is the high turnover rate and the need to improve the terms of conditions of employment of Correction Officers. This issue is paramount to *the interests and welfare of the public*. Recruitment and retention of Correction Officers has been a serious problem in Burlington County during the last decade. Evidence in the record shows that 481 Correction Officers were hired between 1990 and 2000. As of November 1, 2001, only 149 of the original 481 were still serving as Correction Officers. (P-3). This is a 69% turnover rate. Training Correction Officers is justifiably an expensive proposition. It is exceedingly expensive when you have a 69% turnover rate. High turnover produces a continuing spiral of recruitment and training resulting in a

significant number of inexperienced Correction Officers. The parties agree that it is in the best interests of the County and the PBA (and certainly *the interests and welfare of the public*) to reverse the high turnover rate and stabilize the workforce. This is important in all work environments but it is particularly important in a correctional facility given the inherent dangers of the job and the need to maintain the highest levels of safety and supervision. Highly trained and experienced Correction Officers are the keys to maintaining these high standards of safety and supervision. (Burlington County and PBA Local 249, IA-2001-60, September 30, 2002, R. Glasson, at 88-89).

There is no evidence that Camden County is experiencing similar problems with recruitment and retention of Correction Officers. Evidence of such problems similar to those experienced in Burlington County (and other counties) would require a full review of salary structures and other terms and conditions of employment to develop the appropriate salary structure and terms and conditions needed to stabilize the work force. There is no evidence that the County is losing a large number of its Correction Officers to other county correction officer bargaining units or to state correction officer bargaining units.

Accordingly, I find that the proper application of this sub-factor requires a review of annual salary increases received by other Correction Officers in 2003, 2004 and 2005. The evidence in the record and all of the PERC salary data shows that the awarded salary increases are consistent with salary increases negotiated and awarded to other county and state Correction Officers in 2003, 2004, and 2005.

**Internal Comparability with  
other Camden County Employees**

There is no evidence in the record concerning comparisons with non-law enforcement bargaining units in Camden County. Neither party submitted salary data regarding this sub-factor, thus I have given internal comparability with non-law enforcement bargaining units no weight.

In summary, I find that the most significant sub-factor is the internal comparability data with other Camden County law enforcement bargaining units and is therefore entitled to the most weight. I have also given considerable weight to salary data concerning average annual salary increases received by other county Correction Officers. The terms of my award will maintain the relative position of the Camden County maximum salary level when compared to other county Correction Officers. I have also given considerable weight to comparisons with average settlement data for all other law enforcement officers throughout the State.

### **Overall Compensation**

I have considered the overall compensation received by the Correction Officers and find that the terms of my award will maintain the existing level of economic benefits. The current overall compensation is competitive and will not be diminished by the terms of my award. Camden County Correction Officers will maintain their relative ranking in comparison to other County law enforcement bargaining units, other Correction Officers throughout the State and other law enforcement officers in Camden County and throughout the State.

### **Lawful Authority**

There is no evidence that the terms of my award will require the County to exceed its lawful authority. The CAP law, or lawful spending limitations imposed by P.L. 1976 C.68, is not directly impacted by this proceeding. The terms of my award increase the salary base by \$165,364 more than the County's proposed salary increases over the full term of the new CBA. This is equivalent to  $\frac{1}{3}$  of 1% annually. This is offset by the annual savings realized from the awarding of the County's cost containment modifications in health care and prescription benefits. The award of the County's health benefits and prescription co-pay proposal will save "almost" \$120,000 annually according to the Certification of Richard Dodson, the County's Human Resources Director.

There is no evidence in the record to show that any aspect of this award will cause the County to approach the limits of its financial authority or to breach the constraints imposed by the CAP Law in funding the salary increases I have awarded.

**The Financial Impact on the Governing Unit, its Residents and Taxpayers**

The financial impact of the award on the governing unit, its residents and taxpayers is a factor entitled to considerable weight. The County expressed strong concerns about the impact of funding the PBA's salary proposals. An award of the PBA's salary proposal would have created a salary base of \$16,091,886 which is \$844,047 more than the salary base created by the County's proposed salary increases. This is a significant difference by itself but if applied to other law enforcement bargaining units now or later would have a major impact on the governing unit, its residents and taxpayers. A denial of the County's health care and prescription cost containment proposals, as proposed by the PBA, would also add to the financial impact.

The terms of my award increase the salary base by \$165,364 more than the County's proposed salary increases. As previously stated, this is equivalent to  $\frac{1}{3}$  of 1% annually which will be offset by the \$120,000 annual savings realized from the awarding of the County's cost containment modifications in health care and prescription benefits.

Based on the evidence in the record, I conclude that the cost of funding the award will have minimal financial impact and will not adversely affect the governing unit, its residents and its taxpayers.

**Cost of Living**

Arbitrators must consider changes in the cost of living. The cost of living data shows that the Consumer Price Index (as published by the U.S. Department of Labor, Bureau of Labor Statistics for the Philadelphia-Wilmington-Atlantic City Region), increased by 2% in 2003.

This is below the salary proposals of the County, the PBA and the terms of my Award in 2003. The 2004 CPI data is incomplete. The most recent data shows that the CPI for the year ending June 2004 increased by 4.4%, the largest annual increase in many years. There is no reason to believe that this trend of higher month-to-month increases will continue and it is more likely that the awarded 4.0% salary increases in 2004 and 2005 will exceed the CPI resulting in an increase in real earnings of bargaining unit members for the 2002-2005 duration of the new CBA. I have not placed great weight on this factor.

I conclude that the awarded salary increases, while higher than the increases in the cost of living in 2003 (and probably higher in 2004 and 2005), provide for an acceptable increase in real earnings that must be measured against the continued delivery of quality services by the Correction Officers. The award provides for base salary increases that over the full term of the CBA will allow for a modest increase in the real earnings of the Correction Officers consistent with historical trends.

#### **Continuity and Stability of Employment**

The terms of my Award will maintain the continuity and stability of employment for Camden County Correction Officers. The salary award in this matter will not jeopardize either employment levels or other governmental services. The salary award will maintain a competitive salary and permit the County to continue to recruit and retain qualified Correction Officers. I am convinced that the terms of this award will maintain the continuity and stability of employment and satisfy the requirements of this factor.

There is no evidence of high turnover. This is an important indicator of continuity and stability in employment. There is no evidence that the County is losing a large number of Correction Officers to municipal police departments or other county correction departments. Such evidence would have been given greater weight to the PBA's arguments concerning the



maximum salary of Camden County Correction Officers in relation to municipal police departments and other county Correction Officers. This was an important consideration in a recent award involving Somerset County and its Sheriff's Officers:

"The external salary comparisons with municipal police officers are also not entitled to as much weight as the internal comparisons to other Somerset County public safety employees. However, the municipal salary data is entitled to more weight than comparisons to other county Sheriff's departments. Evidence in the record shows that thirteen of the twenty-one employees left the Sheriff's Department between 1998 and 2001 for police officer positions in Somerset County municipalities. This is a significant number (62%) making the municipal salary data more of a factor in measuring the competitiveness of the Sheriff's Officer salary schedule. Evidence in the record does not pinpoint the reasons why thirteen out of twenty-one employees have left for municipal police work. However, the County cannot afford to become a training ground for municipal police officers.

Recruitment and retention of qualified Sheriff's Officers are significant factors in maintaining the high quality services currently provided by the Sheriff's Department. High turnover is not only expensive but it also has the potential to reduce the quality of services. (Somerset County and FOP Lodge 39, IA-2002-046, issued September 30, 2002, R. Glasson, at 84-85).

Accordingly, I conclude that the terms of this award will maintain the continuity and stability of employment and satisfy the requirements of this factor.

#### **Other Issues**

It bears repeating that a governing principle that is traditionally applied in the consideration of wages, hours and conditions of employment is that a party seeking a change in an existing term or condition of employment bears the burden of showing a need for such change. I have also applied this principle to new proposals.

#### **Health Insurance & Prescription Benefits**

The County's health care and prescription costs have increased significantly. Health care costs doubled between 1999 and 2003 and increased by \$4 million between 2002 and 2003 and were expected to increase by as much as \$3 million in 2003. The County's

prescription costs are \$10 million annually. These costs have also doubled since 1999. The prescription co-pays have not been increased since 1999 in this bargaining unit.

A review of the contracts in evidence supports the County's proposal to increase the prescription co-pays. Containment of prescription costs is commonly achieved by increases in co-pays. The current prescription co-pays are significantly less than the prescription co-pays included in recent voluntary settlements and awards. The award of the County's health benefits and prescription co-pay proposal will save "almost" \$120,000 annual according to the Certification of Richard Dodson, the County's Human Resources Director.

The County's prescription co-pay increases are in line with increases in other jurisdictions and fully consistent with increases negotiated with the other six County law enforcement bargaining units. Increased prescription co-pays are a common component in negotiated and arbitrated agreements. These increased co-pays reduce a public employer's annual costs and are part of the trade-off for salary increases.

This is the case in the County's settlements with the six law enforcement units — competitive salary increases were negotiated and one of the trade-offs was an increase in prescription co-pays. I have awarded salary increases consistent with other County law enforcement bargaining units. It follows that I also award increased prescription co-pays when those increases are in line with the broad trend throughout the State to increase prescription co-pays.

I also award the County's health care proposal for essentially the same reasons that I awarded the increased prescription co-pays. This is the trade-off for competitive salary increases and are the same health care changes agreed to by the other six law enforcement bargaining units. Some changes are applicable only to new hires. I take arbitral notice that

similar health care cost containment changes have been negotiated in other counties including Burlington, Morris, Union and Warren.

I have reviewed the CBAs negotiated with the six other County law enforcement bargaining units for 2003-2005 and find that the health care changes proposed by the County in this bargaining unit are consistent with the language in the other law enforcement CBAs except for the language on retiree health benefits. It may be that the County's proposed changes are fully consistent with the benefits provided in the other six CBAs. I shall retain jurisdiction for sixty days on the sole issue of retiree health benefits pending clarification as to the uniformity of the County's proposed changes.

I conclude that the County has met its burden to justify its health care and prescription proposals. The proposed changes shall be effective thirty (30) days after ratification by the Board of Freeholders. I shall retain jurisdiction for sixty days on the sole issue of retiree health benefits pending clarification as to the uniformity of the County's proposed changes.

#### Longevity

The PBA proposes a deletion of the "maximum" column that limits the amount of longevity. It also proposes that all longevity benefits be folded in and paid along with regular compensation. The longevity benefit value would be used in all calculations. The County calculates the cost of eliminating the maximum cap on longevity to be \$377,326 in 2003. This figure will obviously increase to \$392,419 in 2004 and to \$408,116 in 2005.

For the following reasons, I conclude that the PBA has not met its burden to justify a change in the current longevity benefits.

First, the PBA's proposal is expensive. The cost of removing the maximum caps is equal to 2.78% in 2003. This is unwarranted given the overall salary increases I have awarded

over the term of the new CBA. An award of the PBA's longevity proposal would bring the total cost of the award far beyond the cost of internal settlements reached by the County with its other law enforcement bargaining units as well as the cost of settlements and awards in other law enforcement bargaining units within Camden County and throughout the State.

Second, a review of the other County law enforcement bargaining units shows that the Sheriff's Officers' CBA provides for percentage longevity benefits ranging from 2% to 7% without maximum caps. This appears to support the PBA's position. However, the Sheriff's Officers' longevity benefits are "two-tiered" with only those employees hired before December 15, 1990 eligible and all other employees hired after December 15, 1990 ineligible. In other words, Sheriff's Officers hired after December 15, 1990 have no longevity benefits. A review of other CBAs, show that the Park Police, Prosecutor's Investigators SOA, Assistant Prosecutors and Corrections SOA have no form of longevity benefit, capped or uncapped. The Prosecutor's Investigators have longevity which also includes maximum caps similar to the Correction Officers.

Accordingly, I conclude that the PBA has not met its burden to justify its proposal and the proposal is hereby denied.

#### **Senior Officer Differential**

The PBA proposes that a Senior Officer Differential step be added at twenty (20) years of service. The value of the Senior Officer Differential would be one-half ( $\frac{1}{2}$ ) the difference between the top step Correction Officer and top step Correction Sergeant. The County estimates the cost of this proposal over the full term of the CBA to be \$19,444. Evidence in the record shows that two other rank-and-file law enforcement units have a senior officer differential: the Prosecutors Investigators and the Sheriff's Officers.

Normally, evidence of other bargaining units receiving a senior officer differential would favor consideration of the PBA's proposal. The cost is clearly minimal now but that is only because of the current demographics of the bargaining unit. The value of the PBA's proposal is \$2,960 at 2002 salary levels. This increases to \$3,078 in 2003, \$3,202 in 2004 and \$3,330 in 2005. E-3 shows that in September 2003 only four Correction Officers had twenty or more years of service however eighty-eight Correction Officers had between ten and twenty years of experience. An award of the PBA's proposal for a senior officer differential would have major cost implications for the future. The PBA's senior officer differential triggered after twenty years of service can be described as another form of longevity and is not justified for all of the above reasons and for the same reasons cited in my discussion on longevity.

Accordingly, I conclude that the PBA has not met its burden to justify its proposal and the proposal is hereby denied.

### Uniforms

The PBA proposes that uniform changes directed by the County be paid for by the County. The PBA contends that the contract is presently silent on the issue of who pays for a uniform modification which is ordered by the County. The PBA asserts that if the County orders a change in uniform equipment then the County should pay for the cost of making the changes. The PBA cites the statutory requirement that changes in terms and conditions of employment cannot be unilaterally altered but must be preceded by negotiations. The PBA submits that by adding this language to the contract both parties may save by avoiding a grievance arbitration or unfair practice hearing.

According to the County, the purpose of the uniform allowance is to purchase and maintain uniforms. The County notes that the \$1,025 annual uniform allowance is the highest

uniform allowance of all County rank-and-file law enforcement units and the third highest uniform allowance of the eight southernmost County Correction Officer Units. The County notes that there have not been any uniform changes in the last five years.

The County is correct that the annual clothing allowance is for the purchase of uniforms and the maintenance and cleaning of uniforms. However, the cost of buying new uniforms to replace current uniforms when they are no longer presentable is different from being required to purchase an entire new set of uniforms that safety mandates may require or merely to change the style or color of the uniform. The former expense is clearly less than the expense of buying a complete new set of uniforms or to purchase uniforms or equipment not previously required.

Article X, Section 4(b) of the current CBA recognizes this cost by providing new hires (Academy Officers) with \$1,400 for the purchase of "four pairs of pants, one basket-weave belt, four short sleeve shirts, one long sleeve shirt, one black tie, one hat cover, one sweater and one all weather coat with liner."

Section 4(c) further provides:

(c) The following will be the responsibility of all officers and the following quotas are to be maintained at a minimum.

Four pair of pants, one basket-weave belt, four short sleeve shirts, one all weather coat with liner, one sweater, one long sleeve shirt, one black tie, and one hat cover.

The allocation of \$1,400 for new recruits, \$375 more than the \$1,025 provided to other officers, is a recognition by the parties of the higher cost of the initial purchase of uniforms for recruits.

The County recognized this higher cost in the CBA with the Park Police which provides the following in Article XIV, Section A.3:

3. In the event the County directs that a change in the existing uniform is necessary, the County shall provide, at no cost to the employee, an initial issue of the affected uniform articles. Such initial issue shall be in accordance with the initial uniform issue as set forth in Appendix B. (P-12 at 32).

Accordingly, I conclude that the PBA has met its burden to justify a change in the uniform policy. The language of the CBA shall be modified to provide that changes in the existing uniform style or additions to the above quotas that the County has directed shall be paid for by the County. This modification shall be effective September 15, 2004.

#### **Holiday Fold-In**

Correction Officers currently receive twelve annual holidays. The PBA proposes that those twelve days would be converted to straight pay, paid along with regular payroll, and used for all calculation purposes. An employee who works on a holiday would continue to be paid the overtime rate. The PBA submits that its proposal will add 2,892 days of productivity (12 holidays x 241 bargaining unit members) which would be available for scheduling and staffing needs of the Correction Department.

The County opposes the PBA's proposal noting that it will increase the costs of vacation, sick time, overtime calculations, longevity and pensions. The County contends that there would no longer be an incentive for Correction Officers to report to work on the holidays if the holiday pay is included in base salary. Thus, the call-out problem and corresponding mandatory overtime or "stick" problems would be exacerbated.

Section 7 of Article X (Holidays) provides that "employees will have the option of taking compensatory time in lieu of cash payment for holiday pay." This means that Correction Officers may be taking the ninety-six hours of "holiday pay" off as additional leave time. There is no evidence in the record as to the breakdown of the current usage of holiday pay as either a cash payment or additional time off. This information would be helpful in evaluating

the PBA's proposal. Surely, if the PBA is correct that nearly 3,000 additional "holes" could be filled in the schedule, the Warden and his staff would want to take a closer look at the this proposal.

This proposal could have a serious impact on operational needs and given the strong cooperative relationship that currently exists, I shall remand this issue to the parties for further direct discussions. However, given the lack of data in the record as to usage of the current holiday benefit, I shall not retain jurisdiction on this issue, meaning that it shall be considered as denied if there is no mutual agreement.

#### **Rights of Agent**

The PBA proposes that the PBA President be placed on a regular day shift and permitted to work full time on Association business. The PBA cited the testimony of both the PBA witnesses and the Warden of their excellent relationship. The PBA contends that it is difficult to maintain this excellent relationship when the PBA President may be assigned to day shifts, evening shifts or night shifts and not have regular access to administration personnel who work normal business hours.

The County opposes the PBA's proposal. The County cited Grundlock's testimony currently the PBA president is placed on a day shift and is permitted to apply for two days off per month to attend to PBA business. The County also cited the Warden's testimony that the PBA President has never complained that the time was insufficient and he could not recall a single incident in which the PBA President was denied time off to attend to PBA business. The County estimates that the PBA's proposal will cost nearly \$70,000 to pay for the base salary and fringe benefits of a replacement Correction Officer.



There is no evidence in the record to justify full release for the PBA President. However, while it is acknowledged that the clear practice is that the PBA President is assigned to the day shift, I conclude that such practice shall be included in the new CBA and it is awarded.

### **Grievance Procedure Definition/Work Rules Procedure**

The PBA proposes to modify the current grievance definition in Article XIX. The PBA submits that it is seeking only what is statutorily available under the Act. The PBA's proposal includes adding minor discipline to the grievance procedure.

The PBA proposes to modify Article XVII, Work Rules, by adding the following:

Proposed new rules or modifications of existing rules governing working conditions shall be negotiated with the majority representative before they are established.

This language appears in the statute at N.J.S.A. 34:13A-5.3. The PBA submits that while it can be argued that it can rely on the statute, this is really an issue of forum. Prior practice is a prime interpretive tool when one is looking at contract language that is unclear. The PBA asserts that it seeks to incorporate this important interpretive tool into the contract to avoid disputes going beyond the earliest levels of the grievance procedure.

The County is opposed to the PBA's proposals. The County contends that there is no record evidence of problems with the current language. The County submits that the evidence reflects few grievances and an excellent working relationship between the Warden and the members of this bargaining unit.

The PBA has not met its burden to justify a change in the language of the current grievance procedure. There is no evidence in the record of unresolved grievances caused by limitations in the CBA nor is there any evidence of a grievance history concerning minor

discipline. There is also no evidence that the PBA is filing ULPs with PERC because of shortcomings in the current grievance procedure. Testimony from both the County and the PBA shows that the parties have an excellent working relationship with a history of mutually solving problems. The PBA's proposals are denied.

#### **Vacation Procedure**

The PBA proposes that two sergeants and four correction officers be granted vacation time off for each shift each day of the calendar year for the Main Jail; one Sergeant and two Correction Officers for Admissions; one Sergeant and one Correction Officer for Administration; and one Correction Officer for Maintenance. The only exception to this rule will be for overriding emergent operational needs with the burden on the Department to establish the emergent operational need.

The County is opposed to this proposal citing the Warden's unrebutted testimony that the vacation proposal will negatively impact the facility by permitting eighteen officers off per day - 6 officers on each of three shifts. The Warden testified that the Correctional Facility could not function if this proposal is awarded. The County notes that no Camden County rank-and-file unit has a provision which mandates the minimum number of employees who can be off on a vacation and that none of the contracts in evidence include such a vacation provision.

The PBA has not met its burden to justify a change in the current vacation procedure. A review of the CBA shows a detailed, seniority based, vacation time selection process providing for bidding by seniority for vacation time three times annually from November 1<sup>st</sup> to November 30<sup>th</sup>, March 1<sup>st</sup> to March 31<sup>st</sup> and July 1<sup>st</sup> to July 31<sup>st</sup>. There is no evidence in the record to show that there have been any problems with the current vacation procedures

nor is that any evidence that any employee has lost vacation. The PBA's vacation proposal is denied.

### **Shift Bid Procedures**

The shift bid procedure language was the subject of direct negotiations between the parties during the conduct of the hearings. The PBA and the County were aware before the close of the record that this issue was close to resolution and Labor Counsel for the County and the PBA urged direct resolution. I shall retain jurisdiction for sixty days in the event the parties have not resolved this issue.

### **Legal Defense**

The County proposed a modification of the legal defense provision as follows:

The County agrees to provide legal defense for employees covered under this agreement in any action or legal proceeding arising out of the employee's performance of his/her duties other than for conduct contrary to County or Institutional policy, for defense in a disciplinary proceeding instituted against him/her by the County or for any criminal charges brought against the employee by any law enforcement or investigatory agency.

The County's proposal seeks to eliminate payment of legal fees for an employee who is facing disciplinary charges, who has violated County policy or Corrections policy or who is facing criminal charges. The County identified certain incidents in which the County was required to provide a legal defense including an incident in which an officer who provoked and participated in a barroom brawl. The Warden provided testimony concerning an incident in which the County was required to provide legal defense for a Correction Officer who had violated the law by having a sexual relationship with an inmate.

A review of the Corrections SOA collective bargaining agreement reveals the identical language in Article XXI, Section 1.

Accordingly, I conclude that the County has met its burden to justify its proposal and it is awarded.

### **Overtime**

The County proposal seeks to eliminate the overtime requirement for gun qualifying range time. Article V, Section 8 of the current CBA provides the following:

Effective the signing of the Agreement, all gun qualifying range time will be paid at time and one half if the officer is required to go qualify on his/her own time. It is understood that the Warden will have the discretion to schedule officers on County time. (J-1 at 8).

The County's proposal seeks to reduce overtime costs. A reading of the current language clearly shows that the Warden can avoid overtime costs by scheduling qualifying time on a regular shift. While that may not be operationally feasible, it is not a justification to change the current language requiring overtime when an employee is required by the County to qualify on their own time beyond the normal work week.

Accordingly, I conclude that the County has not met its burden to justify a change in the overtime requirements.

### Summary

While I have considered each criterion in relation to the evidence submitted, I conclude that the award I have fashioned strikes the appropriate balance between the competing needs and interests of the County and the PBA. Striking this balance will maintain the undisputed high morale and productivity that currently exists. I have decided that the most significant consideration in the awarding of salary increases and the County health care proposals is the internal comparability data with other Camden County law enforcement bargaining units and is therefore entitled to the most weight. I have also given considerable weight to salary data concerning average annual salary increases received by other county Correction Officers. The terms of my award will maintain the relative position of the Camden County maximum salary level when compared to other county Correction Officers. I have also given considerable weight to comparisons with average settlement data for all other law enforcement officers throughout the State and health care and prescription cost containment measures negotiated throughout the State. I concluded that the difference in the cost of the County's salary proposal and the awarded salary increases are offset by the savings realized from the award of the County's health care and prescription proposal.

Overall compensation and continuity of employment will be maintained by the terms of the award. The award exceeds the cost of living, providing for an increase in the real earnings of Correction Officers. There is nothing in the award which conflicts with the lawful authority of the County and I conclude that the cost of funding the award will have minimal financial impact and will not adversely affect the governing unit, its residents and its taxpayers.

Accordingly, I hereby issue the following award:

**AWARD**

1. **Term of Agreement:**

There shall be a three-year agreement effective January 1, 2003 through December 31, 2005.

2. **Salary:**

All steps and ranks on the 2002 salary schedule shall be increased by 4.0% effective January 1, 2003. This increase shall be computed following the application of a \$750 adjustment to top step Correction Officers, Sergeants and Investigator Sergeant. All steps and ranks on the 2003 salary schedule shall be increased by 4.0% effective January 1, 2004. All steps and ranks on the 2004 salary schedule shall be increased by 4.0% effective January 1, 2005. All salary increases are full retroactive. The salary guide in Article VII, Section 1 shall be as follows:

<b><u>Step</u></b>	<b><u>1/01/03</u></b>	<b><u>1/01/04</u></b>	<b><u>1/01/05</u></b>
Entry	29,639	30,825	32,057
1 <sup>st</sup> Step	35,649	37,075	38,558
2 <sup>nd</sup> Step	41,029	42,670	44,377
3 <sup>rd</sup> Step	44,957	46,755	48,626
Maximum	55,003	57,204	59,491
Sergeant	61,161	63,608	66,152
Investigator Sgt	71,194	74,042	77,003

3. **Health Care/Prescription Benefits:**

Article XXVI, Insurance, shall be modified effective no earlier than thirty (30) days from the date of this award. I shall retain jurisdiction for sixty days on the sole issue of retiree health benefits pending clarification as to the uniformity of the County's proposed changes.

**Prescription Co-Pay**

<b><u>Base Salary</u></b>	<b><u>Co-Pay</u></b>
\$30,000 to \$50,000	\$6 Brand Name (retail or mail order) \$2 Generic (retail or mail order) \$7 For any maintenance drug if not in Mail Order after 3 months

\$50,000 to \$70,000      \$8 Brand Name (retail or mail order)  
                                      \$4 Generic (retail or mail order)  
                                      \$10 For any maintenance drug if not in mail  
                                      Order after 3 months

Over \$70,000                \$11 Brand Name (retail or mail order)  
                                      \$6 Generic (retail or mail order)  
                                      \$10 For any maintenance drug if not in mail  
                                      Order after 3 months

- For any drug that the employer's third party administrator (TPA) deems excessively expensive and has a less expensive brand name equivalent, the employee will pay an extra \$15 co-pay in addition to the relevant co-pay. The TPA will publish a list of such medications once a year.
- New employees will pay a portion of their health and prescription benefits through payroll deduction according to the following schedule:

<u>Years of Service</u>	<u>Percentage</u>
1	20%
2	20%
3	20%
4	17%
5	17%
6	13%
7	13%
8	10%
9	10%
10	10%
11	10%
12	0%

All deductions are limited to a maximum 5% of an individual's base gross pay.

- Implement a Section 125 Premium Conversion Plan (pre-tax new employee contributions)
- Standardize coverage in all plans for dependents up to age 19 if not in school and age 23 if in school. Dependents who are permanent dependents as a result of disability are covered for the life of the employee.
- No opt out for spouses or relatives where one is a dependent if both are on the County payroll and would otherwise be eligible for benefits. The two employees must choose one type of coverage only.

- Opt out amounts will be as follows:

<u>Type of Coverage Opted Out</u>	<u>Amount</u>
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Prescription Benefits

From Family to no coverage	\$ 90
From Parent/Child to no coverage	55
From Single to no coverage	35
From Family to Parent/Child	40
From Family to Single	60
From Parent/Child to Single	25

Health Benefits

From Family to no coverage	330
From Parent/Child to no coverage	200
From H/W to no coverage	250
From Single to no coverage	120
From Family to Parent/Child	150
From Family to H/W	90
From Family to Single	220
From Parent/Child to Single	80
From H/W to Single	140

- The Spouse of an employee who dies in active service (not in the line of duty) shall be entitled or not entitled to health and prescription benefits at a cost depending on the years of service as stated in the collective bargaining agreement for retirees.
- As of the signing of the agreement, retirees will pay a portion of health and prescription premiums according to the following schedule:

<u>Years of County Service</u>	<u>Participant Co-Pay</u>
Under 10	COBRA Only
10 to under 15 years	30%
15 to under 20 years	25%
20 to under 25 years	15%
25 years and over	0%

Retirees eligible for benefits are only those:

- A. Who have retired on a disability pension. Those retirees on an ordinary disability pension will pay or not pay according to the above scales; or



B. Who have retired after 25 years or more of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement. Such eligible retirees will pay or not pay according to the above scales; or

C. Who have retired and reached the age of 62 years or older with at least 15 years of service with the employer. Such eligible retirees shall pay or not pay according to the above scales.

- Increase co-pay for HMOs and PPO to \$10 for primary care visits and \$15 for a specialist.
- Employees will be responsible for any extra costs incurred by the County if there is a change in their life status (divorce, death of spouse, etc.) that would affect their health and prescription benefits and they do not report it to the Insurance Division within 90 days of the event.

4. **Uniforms:**

The language of the CBA shall be modified to provide that changes in the existing uniform style or additions to the quotas that the County directs shall be paid for by the County. This modification shall be effective September 15, 2004.

5. **Rights of Agent:**

Article XX (Rights of Agent) shall be modified to provide that the PBA President shall be assigned to the day shift.

6. **Legal Defense:**

The following language shall be included in the new CBA:

The County agrees to provide legal defense for employees covered under this agreement in any action or legal proceeding arising out of the employee's performance of his/her duties other than for conduct contrary to County or Institutional policy, for defense in a disciplinary proceeding instituted against him/her by the County or for any criminal charges brought against the employee by any law enforcement or investigatory agency.

7. **Shift Bid Procedures:**

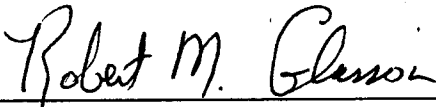
The shift bid procedure language was the subject of direct negotiations between the parties during the conduct of the hearings. The PBA and the County were aware before the close of the record that this issue was close to resolution and Labor Counsel for the County and the PBA urged direct resolution. I shall retain jurisdiction for sixty days in the event the parties have not resolved this issue.

8. **Holiday Fold-In:**

I shall remand this issue to the parties for further direct discussions. However, given the lack of data in the record as to usage of the current holiday benefit, I shall not retain jurisdiction, meaning that it shall be considered as denied if there is no mutual agreement.

All proposals of the County and PBA not awarded herein are denied and dismissed. All provisions of the existing CBA shall be carried forward except for those provisions modified by the terms of this Award.

Dated: September 3, 2004  
Pennington, NJ

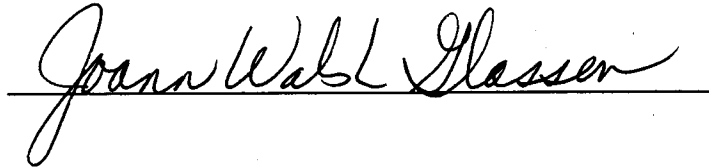


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ROBERT M. GLASSON  
ARBITRATOR

STATE OF NEW JERSEY) ss.:  
COUNTY OF MERCER)

On this 3<sup>rd</sup> day of September 2004, before me personally came and appeared ROBERT M. GLASSON, to me known and known by me to be the individual described in and who executed the foregoing instrument and he acknowledged to me that he executed the same.

A handwritten signature in cursive script, reading "Joann Walsh Glasson", is written over a solid horizontal line.

**Joann Walsh Glasson**  
Notary Public  
State of New Jersey  
Commission Expires 2-11-06