

NEW JERSEY PUBLIC EMPLOYMENT RELATIONS COMMISSION

In the Matter of Interest Arbitration between:

Docket No: IA-97-121

County of Salem

“Employer”

-and-

Sheriff’s Officers Association

“Association.”

INTEREST ARBITRATION
DECISION
AND
AWARD
ON
REMAND

Before
James W. Mastriani, Arbitrator

Appearances:

For the Employer:

Michael M. Mulligan, Esq.
Special Legal Counsel

For the Union:

Lee J. Hughes, Esq.
Mazzoni, Marcolongo & Hughes P.A.

DECISION ON REMAND

On February 26, 1998, the New Jersey Public Employment Relations Commission [the "Commission"] issued a decision remanding the interest arbitration award which I decided on October 16, 1997. As stated, the purpose of the remand was to have the arbitrator "explain the reason for his award in the context of the statutory criteria set forth in N.J.S.A. 34:13A-16(g)" [P.E.R.C. No. 98-107].

The Commission summarized the terms of the award as follows:

The arbitrator awarded a three-year contract from July 1, 1996 through June 30, 1998 with 3 1/3% increases in each year. For officers with one through four years of service, who had received no longevity payments under the expired contract, he awarded a longevity payment of 1% of base salary for each year of service (Arbitrator's opinion, p. 9). For officers with five through nine years of service, he increased the longevity payment from 1.75% to 6% of base salary and for officers with ten through 14 years of service the longevity payment was raised from 2.5% to 8% of base salary. For those officers with 15 or more years of service, the arbitrator increased the longevity payment from 4% to 10% of base salary (Arbitrator's opinion p. 9). The arbitrator also increased shift differentials by ten cents an hour effective July 1, 1996 and an additional five cents per hour effective January 1, 1998. The arbitrator increased uniform allowances by \$50 per year, granted an additional day of bereavement leave effective July 1, 1998, and awarded the Association's call-in time/call duty proposal. As the County agreed, the award directed it to provide a health insurance package equal to that received by employees in the county-wide unit.

As the Commission recognized, the key issue in dispute was compensation and the structure of that compensation. The Association sought, and the County opposed, the adoption of a salary step system.

On this issue I found that the Association made a compelling case for an award which addressed the relationship between compensation and length of service. While I concluded that “the inclusion of a salary step system may appropriately remain as a negotiations issue in the future to address these relationships,” I also concluded “the appropriate method supporting the demonstrated need to adjust the relationship between compensation and length of service during this collective agreement is to revise the existing longevity percentages.” The revisions to the existing longevity system increased the annual compensation of each Sheriff Officer by an additional one (1%) percent per year to an additional six (6%) percent per year depending upon length of service. These increases were in addition to annual increases in salary for each of three years of three and one-third (3 1/3 %) percent per year.

All of the statutory were considered in evaluating the respective positions and submissions of the County and the Association. N.J.S.A. 34:13A-16(g)(4) is not relevant because no stipulations of fact were received. The remaining criteria are all relevant but not all were accorded equal weight.

The cost of living criterion (g)(7) does not weigh to the advantage of the Association's proposal. The CPI (consumer price index) has averaged between two (2%) and three (3%) percent during recent years and official data on the index does not project near term increases in these figures. However, this criterion was not considered dispositive. The evidence warranted, as here, an award well in excess of the CPI. The across the board increases standing alone exceed the CPI. However, the need to address greater rewards for length of service required and justifies additional monies in excess of the CPI.

The overall compensation (inclusive of benefits) currently received by Sheriff's Officers has also been considered [(g)(3).] The evidence submitted by the Association justified an award providing for benefit area increases such as clothing allowance (by an additional \$150.00 per year over three years in \$50.00 increments), shift differentials, bereavement leave and health insurance. The relatively low compensation presently received also supports an award which increases not only salary levels but also provides for substantial increases in longevity percentages. Although the salary step guide is a common (but not universal) approach within law enforcement, the excessive cost proposed by the Association compels its rejection during this contract term despite the level of compensation currently received.

The lawful authority of the employer (g)(5) is not implicated as such by the demands of the Association. The relatively small number of employees (15) employed as Sheriff's Officers would not cause the County to exceed its budget Cap, nor would the increases it seeks, standing alone, have a detrimental financial impact on the governing unit, its residents and taxpayers [(g)(6).] Although the increases sought of approximately fifty (50%) at first step to approximately one hundred (100%) percent at maximum could technically be absorbed within the County's budget, the arbitrator is constrained to consider factors extending beyond the existence of monies for a limited number of employees. These include wage comparisons in the private and public sector and also the factoring in of the applicability and impact of awarding such substantial increases on county employees in general and other law enforcement county employees in Salem County all of whom desire but do not enjoy this salary structure. These are factors which are ordinarily and traditionally considered in the determination of wages [(g)(8)] and simply cannot be ignored.

The comparability data [(g)(2)] must be viewed in two distinct contexts. One context reflects the comparative norm of a salary step system for county employees outside of Salem County and also for municipal law enforcement within Salem County. This data also reflects salary levels generally more favorable than received by Sheriff's Officers. This context favors the Association's approach that enhancements are warranted.

The second context for comparability data is comparing increases in one contract year for one group of employees with other groups of employees. This context favors the County's approach. This data reflects increases of three (3%) to four (4%) percent within Salem County and similar increases statewide. There are exceptions somewhat above and below. The data reflects that private sector figures do not significantly deviate.

The arbitrator has carefully considered and balanced all of the comparability data and has awarded increases which are above the aforementioned average increases in both the public and private sector. The salary increases herein range from four and one-third percent (4 1/3%) annually to nine and one-third percent (9 1/3%) annually including longevity increases depending on length of service. The clothing allowance increase of \$150 also adds an additional 0.5% or more to the package. These figures, well above those received by non-law enforcement county employees, are justified based upon the existing salary level of these sheriff's officers compared to those on a statewide basis. The "catch up" the Association seeks simply cannot be accomplished in one contract term.

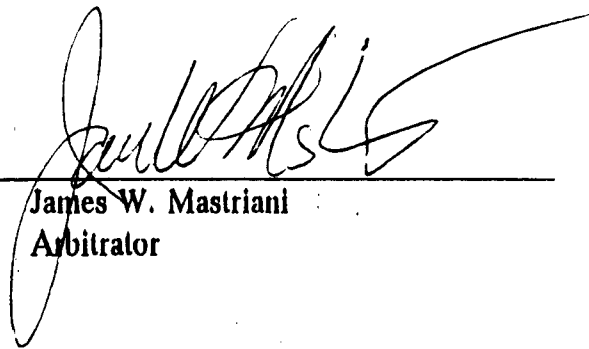
The award also addresses the factor of continuity and stability of employment [(g)(8)] by rewarding sheriff's officers who remain employed by

the county with increasingly larger percentages depending upon their length of service. This approach furthers the salary distance and spread between the newer and the more experienced employee and creates a greater incentive to remain as an employee. The evidence warrants such an increase in the salary spread to offset turnover among staff and enhances future negotiations over the issues presented in this proceeding.

The interests and the welfare of the public [(g)(1)] are served by an Award which, as here, addresses and improves the relationship between compensation and length of service. Although I have concluded that the salary step system not be granted during this contract term, such conclusion is based mainly on the substantial costs of the proposed system and not because the interests and the welfare of the public would suffer by the adoption of such a system. The issue of such adoption is dependent on future events and the merits of any such proposals during future negotiations.

Thus, after giving due weight to the factors set forth in 34:13A-16(g) (1-8), I enter the award issued by me to these parties on October 16, 1997 as a reasonable determination of the issues in dispute.

Sea Girt, New Jersey



James W. Mastriani
Arbitrator

STATE OF NEW JERSEY)SS:
COUNTY OF MONMOUTH }

On this 25th day of April, 1998, before me personally came and appeared JAMES W. MASTRIANI to me known and known to me to be the individual described in and who executed the foregoing instrument and he acknowledged to me that he executed same.



KARI LEE DONOVAN
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Oct. 3, 2000