

PUBLIC EMPLOYMENT RELATIONS COMMISSION

<p style="text-align: center;">In the Matter of the Interest Arbitration between VILLAGE OF RIDGEWOOD and RIDGEWOOD SUPERIOR OFFICERS ASSOCIATION</p>
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PERC Docket No. IA 95-087

Before: Barbara Zausner Tener, Arbitrator

Award Dated: January 5, 1996

APPEARANCES

Grotta, Glassman & Hoffman
Attorneys for the Township
By, M. Joan Foster, Esq.
Beth A. Hinsdale, Esq., on the brief

Loccke & Correia
Attorneys for the Association
By, Richard D. Loccke, Esq.

PROCEDURAL BACKGROUND

The Township and the SOA are parties to a collective bargaining agreement which expired on December 31, 1993. (J-1). Negotiations for a successor agreement reached impasse. I was appointed interest arbitrator on March 16, 1995 pursuant to PERC's rules. I met with the parties on August 2, 1995 and held a formal hearing on that date. I closed the record, which includes the record of proceedings in the Ridgewood PBA matter, on receipt of both parties' post-hearing briefs.

The Association argues that the Employer's brief should not be considered because it was not delivered on the date set at the hearing. In fact, neither brief was submitted by the date initially set at the hearing. Although the Employer's brief was delayed longer than the Association's brief, I must reject the Association's motion because both the statute and case law require careful consideration of the entire record, including the parties' arguments. The fact that the award will necessarily issue at about the end of the subject contract period is regrettable. However, if the parties had reached agreement on the date of the hearing, the contract would have had only four months left at that point.

FINAL OFFERS

ECONOMIC

The parties agree that the term of the successor agreement shall be two years from January 1, 1994 through December 31, 1995.

SOA

Wages: Effective January 1, 1994, eliminate the first step sergeant and lieutenant rates.

Effective January 1, 1994	3%	increase	across	the	board
Effective July 1, 1994	2%	"	"	"	"
Effective January 1, 1995	3%	"	"	"	"
Effective July 1, 1995	2%	"	"	"	"

Village

Wages: Effective January 1, 1994, eliminate the first step sergeant and lieutenant rates. Increase of \$2460 to all other ranks.

Effective January 1, 1995, increase of \$2557 to all ranks.

Sergeant	Effective 1/1/94	Effective 1/1/95
Step 1	\$56,691	\$59,248
Step 2	60,322	62,879

Lieutenant

Step 1	\$63,775	\$66,332
Step 2	68,419	70,976

Uniform Allowance - Article 19

Increase of \$50.00 effective 1/1/94

POSITIONS OF THE PARTIES

SOA

The Association contends that the award to this unit should be the same as the increases awarded by the interest arbitrator to the PBA (rank-and-file) unit. The record in that proceeding was incorporated into the instant proceeding. The SOA's position is the same as the PBA's position was for 1994 and 1995. The SOA "seeks only to maintain a parallel compensation program with ... the subordinate employees" they supervise. (Brief, p. 4).

The SOA also points to the bargaining history of this unit. The PBA achieved an increase of 5% for 1993. The SOA's increase for that year was set by an interest arbitrator "at a significantly lower rate." In 1993 the SOA's increase was 4%. The SOA offers evidence of the productivity of this unit. (S-3, 4, 5, 6, for example).

The Association argues that the Employer's position "is regressive and seeks to diminish rank differential and alter the relationship of compensation between the two bargaining units..." (Brief, p. 4). Further, the Employer is "enjoying [a] substantial increase [in] productivity combined with significantly reduced costs by non-replacement.... [or superior officers]." (Brief, p. 7).

The SOA claims that whether one looks at the percentage change or the dollar difference in the two offers, the figures are small "in the context of total employer financial operations." (Brief, p. 11).

Village

The Village offers a rationale for its proposal, which slightly favor sergeants over lieutenants. "Ridgewood lieutenants are paid significantly more than lieutenants in comparable municipalities in Bergen County, whereas sergeants are paid only slightly above average." (Brief, p. 3). The Village claims its offer maintains the superior standing of both groups with respect to surrounding municipalities.

The Village argues that the PBA award should not serve as precedent for this decision. That award was based on Arbitrator Weinberg's finding (in late 1994) that Ridgewood patrol officers' base pay was below average compared with neighboring communities. Furthermore, "sergeants at top step will remain at least 11.7% above top step patrol and lieutenants at top step will remain at least 12.9% above top step sergeant. Both rank differentials are almost double the average in Bergen County." (Brief, p. 4).

The Village claims its offer is "consistent with its offers to all other interest arbitration groups; is more generous than the CPI; exceeds increases given to employees in the private sector; and, maintains comparability with other municipalities" (Brief, p.. 4).

DISCUSSION AND OPINION

Introduction and analysis of economic offers

The unit consists of five sergeants, whose top rate under the current contract is \$57,862, and four top step lieutenants whose contract rate is \$66,566. The total unit base wage cost (calculated by the SOA and using the \$66,566 figure) is \$555,574. The parties have a dispute as to what is the correct top step lieutenant rate. Village records show \$65,959 as the 1993 base rate paid the top step lieutenants. (V-30, calculated on July 18, 1995). The Association relies on the rate in the contract. The Employer notes that it brought the discrepancy to the Association's attention. Both rates are considered in my calculations and the issue as to which is the correct rate is not addressed. Under the SOA's proposal, wages would change as follows:

	<u>1993</u>	<u>1/1/94</u>	<u>7/1/94</u>	<u>1/1/95</u>	<u>7/1/95</u>
<u>Sgt.1</u>	\$54,231	\$55,858	\$56,975	\$58,684	\$59,858
<u>Sgt.2</u>	57,862	59,598	60,790	62,614	63,866
<u>Lt.1</u>	61,315	63,154	64,418	66,350	67,677
<u>Lt.2</u>	66,566*	68,563	69,934	72,032	73,473

(A. Brief, p. 9).

The Village's proposal would result in the following wages:

	<u>1993- current</u>	<u>1/1/94</u>	<u>1/1/95</u>
<u>Sgt.1</u>	\$54,231	\$56,691	\$59,248
<u>Sgt.2</u>	57,862	60,322	62,879
<u>Lt.1</u>	61,315	63,775	66,332
<u>Lt.2</u>	65,959*	68,419	70,976

(T. Brief, p. 1)

*The Association relies on the wage rate set forth in Appendix A of the current agreement, J-1. The Employer claims that there is an error in the contract.

At the end of the contract period, the difference between the Village's offer and the SOA's for first and second step sergeants and first and second step lieutenants is \$610, \$986, \$1345, and \$2497 respectively. Under the Village's offer, the current second step (proposed first step) sergeant rate will increase by about \$5,000; \$5,000 at the second step; \$5,000 for first step lieutenants; and, \$5,000 for second step lieutenants. The SOA's offer generates increases of about \$5600, \$6,000, \$6300, and \$6900, respectively. The last figure is the difference between the Association's final rate and the rate set forth in the contract.

The relationship of compensation between the SOA and the PBA units when the contract expired is reflected below as are the results under both proposals.

	1993	July 1994		July 1995		
Top Ptl.	\$50,999	\$53,580		\$56,291		
		SOA		VILLAGE		
		1/1/94	7/1/94	1/1/94	SOA	VILLAGE
					1/1/95	7/1/95
					1/1/95	1/1/95
S-1	50,575	discontinued		discontinued		
S-2 = 1	54,231	55,858	56,975	56,691	58,684	59,858
S-3 = 2	57,862	59,598	60,790	60,322	62,614	63,866
L-1	56,640	discontinued		discontinued		
L-2 = 1	61,315	63,154	64,418	63,775	66,350	67,677
L-3 = 2	(S 66,566) (V 65,959)	68,563	69,934	68,419	72,032	73,473
					70,976	

The parties agree that the anomalous situation that existed between the top patrol officer rate and the first step sergeant (a loss of about \$1200 on promotion)

should be cured by eliminating the existing first step. The dollar difference in the rank differentials is shown below for the respective proposals.

DIFFERENTIALS

1994	Top Patrol to	S-1	S-2	to	L-1
SOA		3395		3629	
Village		3111		3453	
1995					
SOA		3567		3812	
Village		2957		3453	

APPLICATION OF THE STATUTORY CRITERIA

Interests and Welfare of the Public

The SOA argues that "[t]he public is best served by a professional and well functioning police department." It disputes the "simplistic view" that "the public is always served by spending less." The cost impact on the public "is nominal." (Brief, p. 11). The SOA cites "the high level of performance and productivity rendered by the Ridgewood Police Department."

The record confirms the Association's claim that this is a productive and hard working group of police employees. There is no evidence that the award of one position over the other will have an adverse impact on the high level of professional protective service which the Village now enjoys. Under either offer, compensation in this unit will remain superior to most and competitive with all area police departments.

The interests of the taxpayers and others who benefit from the public services provided by the municipality is well served by improvements in the rationality of the Employer's compensation program. The concerns expressed by interested parties (as reflected in newspaper articles and testimony in the record) are for controlling costs and against wage increases that outstrip those in the private sector. This decision is governed primarily by my conclusions that the Employer's offer results in a more sensible pattern of rank differentials and that such an end is supported by the relevant statutory criteria.

Comparisons

(a) *Public*

The SOA argues that the most important comparison is with other employees of the same employer doing similar jobs within the Ridgewood Police Department. Therefore, "great weight" should be placed on the award to the Ridgewood PBA unit. The SOA also emphasizes the rate of area police wage increases, which average over 5% for 1994 and 1995. The SOA seeks increases below that level.

The Village points to comparison of 1994 compensation (including longevity, overtime, holiday pay, detective differential and uniform allowance) of sergeants and lieutenants with that of other top level management employees in the Village. The figures are listed below:

Sgt (Village Offer)	Lt	Dir PW	SupSt.Sewer	Signal Sup	SewPt Sup	Parks Sup
\$75,424	\$84,784	\$72,471	\$67,327	\$67,619	\$67,327	\$57,610

(V-34, Tr.69-78)

Superior officers also receive better benefits than other municipal employees, including longevity, an unlimited terminal leave benefit, and vacations.

The Employer offers substantial evidence that compared with other Village employees, and with municipalities in the area, sergeants and lieutenants in this unit are paid considerably better than the average. A 1% increase is worth approximately twice to the superior officer what it is worth to a blue or white collar employee. When longevity and clothing allowance are added to base pay, Ridgewood sergeants and lieutenants are paid well over the average of 27 Bergen County municipalities.

The Village also argues that rank differentials are greater in Ridgewood than in comparable municipalities. The numerous contracts in evidence support this claim. Under the Village's offer, rank differentials will be 12.6% above top patrol for sergeants and 13.4% above sergeants for lieutenants. The County range for sergeant differentials in 1994 is 4 to 10%; the range for lieutenants is 2% to over 10%. In this context it is difficult to credit the SOA's argument that rank differentials would be adversely affected under the Employer's offer.

I have concluded that the comparison criteria are entitled to great weight in this matter. Both parties' presentations anticipate the customary weight these criteria have received from arbitrators. As is often the case when the question is close, an excellent objective measure of what is the more reasonable final offer is comparison with the terms and conditions of employment of similarly situated employees.

Arbitrator Weinberg's award to the Ridgewood PBA unit was based primarily on comparisons with similarly situated police officers. His discussion devotes fifteen pages to comparisons. He rejected the Employer's argument that "the greatest significance" should be placed on "comparisons within the same jurisdiction." (J-2, p.31). Therefore, the Village's 4% offer, which had been accepted by firefighters and other municipal employees, did not create an internal pattern on which he should rely. He also concluded that due to tradeoffs, productivity, and different work schedules, the PBA's offer (split raises as proposed here) and the firefighter settlement for the same years are "quite close." (J-2, p. 36).

Arbitrator Weinberg compared Ridgewood police with those in other nearby communities and found that the PBA unit "is not among the highly paid departments." (J-2, p.38). He noted that for 1993 and 1994 "comparable municipalities had settlements or awards that are higher than the Employer's offer." Further, "the Union's proposal was the lowest of the comparison municipalities." (J-2, pp. 39-40). He gave "great weight ... to the combined comparison criteria" and concluded that the "Union's position is by far the strongest when applying these criteria." (J-2, p. 42).

In my view, the important comparison is not with the percentage increase achieved by any of the customary comparison groups but rather with the overall economic terms of similarly situated employees. Police employees in general, and these superior officers in particular, are better paid than most other public employees, including high level management personnel in Ridgewood. The Employer's offer does not erode that standing at all. Its primary effect is to reduce the already comparatively large rank differentials. The SOA's final offer incorporates the Employer's proposal to eliminate the first steps of these ranks so as

to provide a greater increase for those officers who are promoted. The wages resulting from both parties' offers assure that these bargaining unit members will continue to be paid at very competitive rates.

b). *Private*

Superior officers earn considerably more than private sector employees with advanced degrees. V-28. There is no comparable private employment.

The Village notes that most private sector employees have received wage increases which are below increases in the cost of living. Ridgewood superior officers have "outpaced the cost of living by over 100% since 1980." (Brief, p. 18; V-33). See also V-28.

Overall compensation

The comparisons establish that overall compensation to this unit is superior to that of most other groups in public and private employment.

Stipulations

The parties stipulated into evidence the entire record of the proceedings before Arbitrator Weinberg in the PBA matter.

Lawful Authority of the Employer

This criterion is irrelevant to this dispute. The Employer's final offer is presumably within its lawful authority.

Financial Impact

According to the SOA, the difference between the parties for the entire contract term is \$11,575. The impact is minimal and this criterion is irrelevant in that the Employer's offer is the more reasonable.

Cost of living

Both offers exceed the record measures of changes in the cost of living.

Continuity & Stability of Employment

This criterion is not affected by either offer.

Non-economic issues

The Association's non-economic proposal for first aid insurance is unchallenged in this record. In the PBA proceeding, Arbitrator Weinberg noted the parties' stipulation that police personnel administering first aid should have some sort of insurance coverage. He awarded the PBA's proposal. The specific language is in the PBA contract, J-4, at paragraph 28.03. In view of the fact that the SOA unit serves the same population, faces the same risks, and supervises the rank and file police, this benefit should be extended to the SOA unit as well.

The bereavement leave proposal is also not challenged. The Association argues that the language permits the Police Chief flexibility "to allow the use of sick time as bereavement time in unusual circumstances." The language does not establish a right but "provides the right to ask." (Brief, pp. 39-40).

There is no evidence that there has been a need for this language in the past. The Chief of Police has the right to grant unusual requests in extraordinary

circumstances without any contract language to that effect. I cannot find, on this record, that the proposed language should be included in the contract.

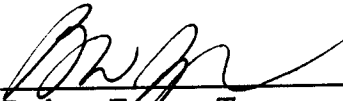
AWARD

Economic

The Employer's offer is awarded.

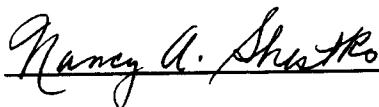
Non economic

The SOA's proposal to include first aid language is awarded.

By: 
Barbara Zaisner Tener
January 5, 1996

New Jersey
Burlington

Sworn to and affirmed before me on January 5, 1996.



NANCY A. SHESTKO
NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES AUG. 10, 1997