

In the Matter of Interest Arbitration Between:

CINNAMINSON TOWNSHIP

“Public Employer,”

- and -

CINNAMINSON POLICE ASSOCIATION

“Union.”

Docket No. IA-2005-005

**INTEREST ARBITRATION
DECISION AND
AWARD**

**Before
James W. Mastriani
Interest Arbitrator**

Appearances:

For the Township:

Alan R. Schmoll, Esq.
Capehart and Scatchard

For the Association:

Ronald Villano, Consultant
Labor Relations Associates

Cinnaminson Township [the "Township"] and Cinnaminson Police Association [the "Association"] are parties to a collective negotiations agreement [the "Agreement"] that expired on December 31, 2003. Law enforcement employees in the unit include those holding the titles of Police Officer, Police Sergeant, Detective, and Detective Sergeant. Non-police titles include Police Radio Dispatcher, Police Clerk Typist and Administrative Clerk. The parties reached an impasse during negotiations for a new Agreement resulting in the filing of a Petition to Initiate Compulsory Interest Arbitration being filed by the Association. Thereafter, I was designated to serve as arbitrator. Pre-interest arbitration mediation sessions were held on August 3, September 9, and October 12, 2004. The impasse remained despite a narrowing of the issues and tentative agreement on several others. After a resumption of direct negotiations between the parties, an interest arbitration hearing was held on June 16, 2005. At the hearing, testimony and documentary evidence was offered. Post-hearing briefs were filed and transmitted by the arbitrator to the parties on December 29, 2005 at which time the record was closed.

The statute requires that the parties submit a last or final offer on each issue in dispute. I set forth the respective final or last offers as follows:

FINAL OFFERS OF THE PARTIES

Cinnaminson Police Association

1. Salary

The Cinnaminson Police Association salary offer is as follows:

2004	4.25%	1/1/04
2005	4.25%	1/1/05
2006	4.00%	1/1/06
2007	4.00%	1/1/07

Please note on Association P1 modified the offer on 11/22/05 was for five (5) years and this was deleted on 11/22/05 and the Association in duration terms agreed to the Township Duration. Increases were the same in across the board application.

2. Vacation

The Township proposed vacation schedule effective 1/1/06 is identical to the Police Association with one exception. P-1 was effective on 1/1/05. The CPA proposal for consideration before this arbitrator which he must place due weight upon is as follows:

The CPA accepts the Township vacation proposal for all divisions within the Department except patrol. Patrol Division shall be given two (2) additional vacation days in 2006 and in 2007 for a total of 4 additional days. Detectives shall maintain their existing practice within their division on hours and vacation/holiday application as per their practice.

3. Medical Insurance

The CPA proposes that the existing medical plan and levels of coverage inclusive of Rx co-pays remain unchanged for the duration of the proposed four years.

4. Longevity

The CPA maintains that the existing level of longevity as enjoyed by the Unit remain unchanged.

5. **Retirement**

- (a) For the existing members of the Association hired prior to 1/1/06 the following retirement medical benefit shall apply, those hired after 1/1/06 shall enjoy the benefits of Article as outlined.

Officers with a minimum of 16 years service with the Township and has prior credits or experience under NJ Police and Fire Retirement System, then their officers shall be eligible to apply these credits to the Township Benefit.

- (b) Reduce retirement medical benefit to 25 years of service to Cinnaminson for all unit members.

6. **Overtime**

Add to Article:

Officers shall have the option of accepting overtime or compensatory time at the same equation of 1 ½ time rate.

7. **Uniform Maintenance**

Uniform Allowance

2004	\$850.00
2005	\$900.00
2006	\$950.00
2007	\$1,000.00

Uniform Maintenance/Cleaning (New)

2006	\$200.00
2007	\$225.00

8. **Adjustments**

The following adjustments shall be paid to officers whom are certified within the listed categories:

K-9	\$2,500.00
FTO	3 days compensatory time
EMT	\$1,000.00

These amounts shall be included within the officer's base salary.

Township of Cinnaminson

1. **Article V. A & B – Wage Increases**

1/1/04	3.75% (Retroactive)
1/1/05	3.75% (Retroactive)
1/1/06	3.75%
1/1/07	3.75%

H. Longevity – Current longevity for employees hired on or before 6/30/05 to continue. No longevity for employees hired thereafter

2. **Article X – Work Day and Work Week**

A. & B. The normal work week shall be as determined by the Township. As of this time, for Detectives, School Resource Officers and other non-Patrol Officers, the work week will be 42 hours. The 42 hours shall consist of four days of eight and one-half (8.5) hours and one (1) day of eight (8) hours. Two (2) hours will be paid at time and one-half. For Patrol Officers at this time, the work week will be based on a 12 hour shift scheduled three days in one week of a 14 day cycle and 4 days in a second week of the 14 day cycle, for 84 hours of scheduled work over the 14 day cycle. Four hours will be paid at time and one-half.

These work schedule differentials shall be paid throughout the year as a component of base compensation. However, said differentials shall not be included in the base pay for the purpose of computing overtime pay.

3. **Article XI – Overtime**

G. Paid time off related to sick leave, funeral leave and military leave shall not be counted for the purpose of calculating overtime pay eligibility.

4. **Article XII – Benefits**

Medical Insurance:

Effective 1/1/05	\$10.00 per primary visit
	\$10.00 per specialist visit
	\$25.00 per ER visit (hospital)
Effective 1/1/07	\$15.00 per primary visit
	\$50.00 per ER visit (hospital)

Prescription:

1/1/05 Co-pay – \$5.00 generic, \$10.00 per brand name
1/1/06 Co-pay – Same as 2005
1/1/07 Co-pay - \$5.00 generic, \$15.00 per brand name
Mail order to remain 0 co-pay all three years

F. **Retiree Medical.** Second paragraph, line 3 – Delete
“to be paid by the Township.”

Add – Costs of said benefit package shall be on the same terms and conditions to which current employees are subject.

Page 20 – Modify the table as follows:

25 years and greater	80%
20 through 24 years	75%
15 through 19 years	60%
10 through 14 years	50%

5. **Article XVIII – Vacations**

A. Effective 1/1/06 (12 Hour Shift Schedule)

1. During the first year of employment – eight (8) hours for each month of employment to a maximum of 96 hours after completion of one year of employment.
2. Two (2) years through five (5) years - 108 hours
3. Six (6) years through ten (10) years - 120 hours
4. 11 years through 15 years - 132 hours
5. 16 years through 20 years - 156 hours
6. 21 years or more - 204 hours

6. **Article XX – Uniform Clothing and Travel Allowance**

- A. Effective 1/1/05, increase the uniform/clothing allowance to \$850.00.

STIPULATIONS

N.J.S.A. 34:13A-16g(4) contemplates the submission of stipulations of the parties into the record. During the course of direct negotiations and mediation, the Township and the Association have agreed to the following items that I will receive into the record as stipulations. They are as follows:

1. **Pay Day**

On the 15th and 30th of each month

2. **Probationary Employees**

A newly hired non-police employee during the first 12 months of employment shall be a probationary employee and shall not accrue any seniority in the bargaining unit until the probationary period is completed.

3. A newly hired police officer will be a probationary employee in accordance with the working test period provision of N.J.A.C. 4A-4.5 2D, D1 and I.

4. **Grievance Procedure**

Change 5 working days to 10 working days and – Only the Association Executive Board shall be authorized to move a grievance to Arbitration.

5. **Arbitration**

Replace A.A.A. with PERC

6. **Shifts**

Delete reporting to work 15 minutes prior to the start of the shift.

7. **Overtime**

- (a) Change overtime language to reflect the 12 hour shift.
- (b) Retain the \$200.00 stipend for on call weekends (Detectives).
- (d) Retain the first line only relating to FLSA – delete balance of the sentence.
- (f) Agreed to and language making it clear that the three (3) shift structure does not apply to 12 hours shifts.
- (i) Deleted as it relates to quarterly payment which has been eliminated.

8. **Uniform**

New officer shall be provided with a full complement of clothing and equipment as specified by the department and attached.

Any clothing and equipment change as instituted by the department shall be at the Township expense and not part of an officer allotment or allowance.

9. **Military Leave**

All military leave shall be granted by the Township in conformance to Title 18A:4.4 or regulations governing this provision.

10. **NJ and Federal Family Leave**

NJ and Federal Family Leave Acts shall be added to leave provisions.

11. **Working Conditions**

An officer selected to serve as Senior Police Officer will be paid a \$40.00 day stipend.

12. **Miscellaneous**

The officer in charge stipend shall be increased to \$40.00 a day.

13. **State Short Term Disability Plan**

Both parties agreed to incorporate within the contract the state short term disability plan as proposed and outlined on 11/22/05.

BACKGROUND AND ISSUES IN DISPUTE

The Township is one of 40 municipalities in Burlington County. It is located in the southeast portion of the County on the Delaware River across from the northeast section of Philadelphia. The Township has 14,575 residents within its 7.4 square mile community. Substantial additional information concerning the Township's demographics and socio-economic profile was received into the record including per capita income, revenues, tax rates and official budget documents.

The main issues that remain in dispute are primarily economic in nature. They include, among other things, salaries, workday/work year, paid time off, retiree medical benefits, health insurance and longevity. The Township and the Police Association have approached these issues with an eye towards reaching an agreement on a total overall package that is acceptable to each. Despite their best efforts at resolution, some issues were potentially resolvable but remained in dispute mainly because they had linkage with other issues at impasse. Because of this, the parties have advocated for the awarding of their proposed total package. They have emphasized in their arguments the overall financial

impact of the economic issues, comparability and the financial posture of the Township. The Association asserts that the Township's financial ability allows for an adoption of its last offer on the outstanding issues while the Township contends that negative financial impact on the governing body, the taxpayers and the residents will be the result of awarding the Association's positions rather than an award confirming the reasonableness of the Township's last offer.

The Association points out that there has been a tremendous growth in the Township's ratables over the last five years. The Association compares the equalized value of property in 2000 at \$937,480,910 with 47.53% growth by 2004 to \$1,383,061,390. After review of the Township's official financial documents over the course of the last several years, the Association emphasizes that the Township's tax collection rates have remained in excess of 98% and that the municipal tax levy represents only 14% of the total tax levy. The Association submits that the Township has historically collected more annually in delinquent taxes than it projects and that the Township's fund balance has increased by almost \$900,000 between 2001 and the end of 2004. Pointing to the future economic prospects for the Township, the Association quotes from the Township's budget message that "The Economic Development Committee is working towards the redevelopment of the Route 130 corridor. These efforts will increase the commercial ratables thereby lessening the burden on the homeowner."

The Association contends that the budget data reflects that its proposals can be accommodated under the Cap law inasmuch as the 2005 budget reflects \$250,000 being available for Cap banking under the law. Another factor that is relevant, according to the Association, is the amount of miscellaneous revenue received by the Township that was not anticipated. The Association estimates this figure as approximately \$100,000 annually, a sum that it asserts is available from non-budgeted revenue sources.

The Township asserts that its salary proposal is fair and reasonable compared with the Association's economic proposals that it characterizes as having adverse financial impact on local government and the taxpayers. The Township points out that a police officer at Step 7 in 2003 would have his or her salary adjusted to \$70,733, an increase of 15.86%, while a police officer at Step 6 would have his or her salary of \$56,315 adjusted by \$14,418, a 25.6% increase. Because of a move to the 12 hour shift, the Township has offered an additional \$5,304 in base salary calculated by dividing \$70,733 by 2,080 hours times 1.5 times four overtime hours¹ over 26 pay periods. This would adjust a police officer's salary (at Step 7) from \$61,048 to \$76,037 over the term of the new Agreement. The Township contends that its salary proposal will keep salaries competitive with surrounding communities and also keep pace and go

¹ The use of the term "overtime" is strictly for the illustrative purpose of calculating the new base wage and is not related to FLSA overtime or overtime payments inasmuch as the new work year, if implemented, will be set at 2,184 hours.

beyond increases in the CPI. The Township regards the Association's proposals as being unaffordable.

The Township contests the financial analysis relied upon by the Association. The Township submits that increases in its taxable values are more significant than increases in equalized values and that its 3.5% Cap uses taxable value to determine lawful spending increases. The Township points out that its taxable values increased by only 5.81% from 2000 through 2005.

The Township also rejects the Association's emphasis on large fund balances. The Township points out that the Association has used figures between 2001 and 2005 that would be \$300,000 less if it had used 2000 and 2004 and that between 2003 and 2004 the figure was only \$32,000. The Township submits that excess collections from delinquent tax revenues become part of surplus balances that is used as revenue for the next year. Without this revenue, the Township claims that it would have to increase taxes at higher levels or cause spending reductions in order to stay within the Cap.

The Township contends that the elimination of longevity benefits is warranted for new hires given the premise that salary levels are now sufficiently high to offset the need for supplemental pay.

The Township also urges acceptance of its retiree medical proposal. Its argument is set forth in its post hearing brief as follows:

It is well known that health benefit costs have been ever increasing and that employers cannot control them except, in a union setting, to negotiate for provisions requiring employees and future retirees to participate in paying some of the costs. It has also been in the news in recent months how the cost of retiree health benefits are a large part of the financial woes of companies like General Motors and Ford Motor Company. It is no longer appropriate for retirees at any level of years of service to be exempt from some contribution to the costs. At the very least, they should be subject to the same co-pays, benefit levels, deductibles and the like that active employees are subject to, even when they are different from those that were in place at the time of retirement. In our State's interest arbitration system, the employer lacks the ability to engage in true "give and take" bargaining which can, and does, lead to greater cost containment and employee participation in health benefit costs. It is up to the interest arbitrators to begin to recognize that a level of participation in cost sharing by employees is not unfair, particularly in view of the gains in compensation. There is no sound policy reason why public sector employees should not have to participate in the same manner as private sector employees. The answer is not to say, "Oh well, police officers in neighboring towns make no contribution, so they will not have to in Cinnaminson." The problem with that analysis is that under State law it is the interest arbitrators who stand in the way of municipalities maintaining to the bitter end of negotiations a proposal that employees will contribute in some way. So, of course, the situation never changes. Here, the Township is asking that the contributions to premiums begin with retirees and for language that will prevent retirees from forcing the Township to continue levels of benefits that are greater than those provided to current employees at any given time.

The Township further urges rejection of the Association's vacation proposals that rely upon the premise that "a day is a day" if and when work schedules move from an 8 hour day to a 12 hour day. The Township submits that it is reasonable to convert the same amount of paid time off in hours if and when the work schedule changes.

DISCUSSION

The Township and the Association have made expert and comprehensive presentations in support of their final offers. All of the evidence and arguments have been carefully reviewed and weighed. I will consider the respective proposals individually as well as how they relate to the reasonableness of the total package I award. I am required to make a reasonable determination of the above issues giving due weight to those factors set forth in N.J.S.A. 34:13A-16g (1) through (8) which I find relevant to the resolution of these negotiations. These factors, commonly called the statutory criteria, are as follows:

(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 conditions of employment of the employees involved in the arbitration proceedings with the wages, hours, and conditions of employment of other employees performing the same or similar services and with other employees generally:

(a) In private employment in general; 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 comparable 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 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 a municipality, the arbitrator or panel of arbitrators shall take into account to the extent that 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 local 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 other 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.

In interest arbitration proceedings it is a commonly accepted principle that the party seeking to change the conditions of employment be required to bear the burden to prove the basis for such modifications. I have applied that principle when considering the merits of each issue in dispute. N.J.S.A. 34:13A-16g(8) includes the obligation to consider factors ordinarily or traditionally considered in the determination of wages and benefits. One such element requires that consideration be given to the totality of the changes to be made to an existing agreement. This consideration is consistent with the statutory requirement that the arbitrator determine whether the total net annual economic changes for each year of the agreement are reasonable under all of the criteria. In addition to total annual net economic change, the requirement that the arbitrator's award must represent a reasonable determination of the issues giving due weight to the factors set forth in N.J.S.A. 34:13A-16g(1) through (8) necessitates consideration of the impact of all issues awarded and their relationship to one another.

SALARY – WORKDAY / WORKWEEK

The Township and the Association disagree on the amounts to which the salary schedule should be adjusted. The Association proposes increases as follows:

2004	4.25%	1/1/04
2005	4.25%	1/1/05
2006	4.00%	1/1/06
2007	4.00%	1/1/07

The Township has proposed the following salary increases:

1/1/04	3.75%
1/1/05	3.75%
1/1/06	3.75%
1/1/07	3.75%

In evaluating the merits of the respective salary proposals, I have given the most weight to the statutory spending limitations on the Township, the financial impact of the increases awarded and the rate of comparability within law enforcement units for municipalities in Burlington County. After doing so, I award increases, retroactive to their effective dates, of 3.75% effective January 1, 2004, 4.0% effective January 1, 2005, 4.25% effective January 1, 2006 and 4.25% effective January 1, 2007. The increases, without compounding, yield an overall increase of 16.25%, or an average of 4.0625% over the life of the Agreement. These increases are 1.25% above the Township's last offer over four years. I have calculated costs based upon the gross salaries now paid to unit members within the department. The costs can be accommodated within the Township's lawful spending authority and will not have adverse financial impact on the governing body, its taxpayers and/or residents. The increases are also consistent with the rate of increases for municipal law enforcement departments within Burlington County. With respect to comparability, I have reviewed the rate

of increases provided to municipalities such as Bordentown City, Bordentown Township, Burlington Township, Delran Township, Florence Township, Lumberton Township, Maple Shade Township, Medford Township, Mt. Laurel Township, Springfield Township and Westampton Township. The average increases in these municipalities are within the narrow range of one another. The increases awarded herein are generally consistent with the average increases yielded in these municipalities.

The increases awarded would cause adjustments to the existing salary schedules as follows:

<u>Position</u>	<u>1/1/04</u>	<u>1/1/05</u>	<u>1/1/06</u>	<u>1/1/07</u>
<u>Police Sergeant/Detective Sergeant</u>	3.75%	4.0%	4.25%	4.25%
3 yrs. But less than 4 yrs.	57,502	59,802	62,344	64,994
4 yrs. But less than 5 yrs.	59,666	62,052	64,689	67,439
5 yrs. or more	69,884	72,768	75,768	78,988
<u>Police Officers/Detectives</u>				
Up to 1 yr of service	33,883	35,328	36,736	38,297
1 yr. but less than 2 yrs.	49,189	51,156	53,331	55,597
2 yrs. but less than 3 yrs.	51,360	53,415	55,685	58,052
3 yrs. but less than 4 yrs.	53,606	55,750	58,119	60,589
4 yrs. or more	63,336	65,870	68,669	71,588

The salaries and wages to be paid to unit employees hired on or after January 1, 1997, are as follows:

<u>Position</u>	<u>1/1/04</u>	<u>1/1/05</u>	<u>1/1/06</u>	<u>1/1/07</u>
<u>Police Sergeant/Detective Sergeant</u>	3.75%	4.0%	4.25%	4.25%
3 yrs. but less than 4 yrs.	57,501	59,801	62,343	64,993
4 yrs. but less than 5 yrs.	60,597	63,021	65,700	68,492
5 yrs. but less than 6 yrs.	64,009	66,569	69,398	72,348
6 yrs. but less than 7 yrs.	66,789	69,461	72,413	75,490
7 yrs. or more	69,884	72,679	75,768	78,988
<u>Police Officers/Detectives</u>				
Up to 1 yr of service	33,883	35,238	36,736	38,297

1 yr. but less than 2 yrs.	38,792	40,344	42,058	43,846
2 yrs. but less than 3 yrs.	43,700	45,447	47,379	49,393
3 yrs. but less than 4 yrs.	48,610	50,554	52,703	54,943
4 yrs. but less than 5 yrs.	53,518	55,659	58,025	60,491
5 yrs. but less than 6 yrs.	58,427	60,764	63,346	66,039
6 yrs. or more	63,337	65,871	68,670	71,589

The Township and the Association recognize that salaries would be further adjusted if the workday and workweek are changed to a 12 hour shift and/or a 42 hour workweek thereby causing a 104 hour increase in the work year. I next review the merits of the Township's proposal in this area.

The collective negotiations agreement at Article X, Sections A and B sets forth the existing work day and work week as follows:

- A. The normal work day shall consist of eight (8) hours of work in any one work day, excluding the time described in paragraph C below. However, more or less hours may be scheduled or required as deemed necessary by the Township.
- B. The normal workweek shall consist of forty (40) hours of work in any one work week, excluding the time described in paragraph C below. However, more or less hours may be scheduled or required as deemed necessary by the Township.

The Township has proposed that Article X be modified to provide the following:

- A. & B. The normal work week shall be as determined by the Township. As of this time, for Detectives, School Resource Officers and other non-Patrol Officers, the work week will be 42 hours. The 42 hours shall consist of four days of eight and one-half (8.5) hours and one (1) day of eight (8) hours. Two (2) hours will be paid at time and one-half. For Patrol Officers at this time, the work week will be based on a 12 hour shift scheduled three days in one week of a 14 day

cycle and 4 days in a second week of the 14 day cycle, for 84 hours of scheduled work over the 14 day cycle. Four hours will be paid at time and one-half.

These work schedule differentials shall be paid throughout the year as a component of base compensation. However, said differentials shall not be included in the base pay for the purpose of computing overtime pay.

The Association has not accepted the Township's proposal based mainly upon eliminating uncertainties that concern the amount of adjustments to base pay due to a work year that yields an additional 104 hours of work as well as the impact of the work schedule change to paid time off.

The record evidence clearly supports a change in the work schedule consistent with what the Township has proposed and the change has been shown by the Township to be consistent with their managerial and governmental policy needs. Given the nature of the work performed by this police department and its current staffing levels, police administration, the police officers and the public will clearly benefit from the improvements the work schedule change provides. The change is consistent with police supervision and staffing levels that the Township seeks, the schedule yields an additional 72 regular days off. The proposals for additional salary due to an increase in hours worked can be accommodated by calculating adjustments to base pay as consideration for the modifications necessitated by the work schedule change. Thus, I award authority to the Township to implement the changes it has proposed as soon as it is practiceable to do so.

Upon implementation of the 12 hour work schedule, the salary schedule for unit employees who work a 42 hour work week shall be adjusted based upon the additional number of hours worked and other relevant impacts caused by the longer work day and longer work year by calculating at each step the addition of four hours pay at 1.5 times the regular hourly rate. This formula shall be for the purpose of calculating the new base salary and is not related to FLSA, overtime or overtime hours but rather is simply the amount of adjustment to base pay due to the new work year being set at 2,184 hours and the more arduous effort caused by the longer workday. Although there may be arguments for greater or lesser adjustments, the adjustment of 6 hours pay per 26 pay periods is an equitable adjustment under all the circumstances. These adjustments, or work schedule differentials, shall be paid throughout the year as a component of base pay with the exception that they not be included in base pay for the purpose of computing overtime pay. Assuming that the Township implements the work schedule change in 2006, the salary schedules, effective upon implementation of the change shall yield the following salaries:

<u>Position</u>	<u>2006</u>	<u>2007</u>
<u>Police Sergeant/Detective Sergeant</u>		
3 yrs. But less than 4 yrs.	67,020	69,868
4 yrs. But less than 5 yrs.	69,541	72,496
5 yrs. or more	81,451	84,912
 Police Officers/Detectives		
Up to 1 yr of service	39,491	41,170
1 yr. but less than 2 yrs.	57,331	59,767
2 yrs. but less than 3 yrs.	59,861	62,405
3 yrs. but less than 4 yrs.	62,478	65,133
4 yrs. or more	73,820	76,958

The salaries and wages to be paid to unit employees hired on or after January 1, 1997, are as follows:

<u>Position</u>	<u>2006</u>	<u>2007</u>
<u>Police Sergeant/Detective Sergeant</u>		
3 yrs. but less than 4 yrs.	67,020	69,868
4 yrs. but less than 5 yrs.	70,628	73,629
5 yrs. but less than 6 yrs.	74,603	77,773
6 yrs. but less than 7 yrs.	77,844	81,152
7 yrs. or more	81,451	84,912
<u>Police Officers/Detectives</u>		
Up to 1 yr of service	39,491	41,170
1 yr. but less than 2 yrs.	45,212	47,134
2 yrs. but less than 3 yrs.	50,932	53,097
3 yrs. but less than 4 yrs.	56,656	59,064
4 yrs. but less than 5 yrs.	62,377	65,028
5 yrs. but less than 6 yrs.	68,097	70,991
6 yrs. or more	73,820	76,958

**SALARIES FOR POLICE RADIO DISPATCHERS,
POLICE CLERK TYPIST, ADMINISTRATIVE CLERK**

The collective negotiations agreement provides a compensation scheme for each of the above classifications. The salaries are reflected in hourly rates based upon years of service. I award the identical salary increases as expressed in percentages for each step of the salary schedules for Police Radio Dispatchers, Police Clerk Typists, Administrative Clerk's. They are 3.75% effective January 1, 2004, 4.0% effective January 1, 2005, 4.25% effective January 1, 2006 and 4.25% effective January 1, 2007.

VACATIONS

The Township has made a proposal to modify vacation benefits in the event that the forty-two (42) hour workweek and twelve (12) hour workday is

implemented. Currently, vacations are set forth in Article XVIII and provided a progressive schedule based upon length of service. The schedule provides for a number of days of vacation. Because police officers are currently on a five (5) days per week on and two (2) days per week off schedule of eight (8) hour days, the actual amount of vacation time is the number of days times eight (8) hours.

The vacation schedule is now set forth as follows:

Length of Service	Vacation Days & Pay
1 month but less than 2 months	1
2 months but less than 3 months	2
3 months but less than 4 months	3
4 months but less than 5 months	4
5 months but less than 6 months	5
6 months but less than 7 months	6
7 months but less than 8 months	7
8 months but less than 9 months	8
9 months but less than 10 months	9
10 months but less than 11 months	10
11 months but less than 12 months	11
1 year but less than 10 years	14
10 years but less than 20 years	17
20 years or more	22

The Township submits that a conversion of time is necessary due to the huge decrease in workdays caused by the twelve-hour day. According to the Township, the day for day benefit must be converted to hours or the amount of vacation time would represent a disproportionate amount of paid days off in relationship to the number of workdays and regular days off. By way of example,

the Township cites a police officer who now has 17 days of vacation and who is on duty for 243 days and is off duty for 121 days (inclusive of the 17 days vacation per year, exclusive of other types of leave and paid time off). Under the potential work schedule change, the Township recognizes that the hours worked on a given day are longer but point out that the time off duty is increased from 121 days per year to 193 days per year, an increase of 72 days. Under the Township's proposal, that officer would now receive 132 hours of paid vacation and if vacation days are taken based upon a workday of 12 hours, the amount of vacation days expressed as workdays would equal 11. The Township points out that because a police officer is going to receive enormously greater number of days off overall, there is no justification for maintaining the "day for day" approach proposed by the Association.

The Association opposes the Township's proposal and seeks to retain the "day for day" formula set forth in Article XVIII. Although its last offer is partially responsive to the Township's position, the Association points to certain labor agreements in the County that maintained the day to day formula notwithstanding a similar work schedule change. The Township responds with contrasts that contain conversions proportionate to the work schedule change.

After due consideration of the parties' respective positions, I reach the following conclusions. While the record reflects different approaches on the issue of conversion of vacation time, it is a commonly accepted in both police

and fire units that it is reasonable for there to be a conversion similar to the concept proposed by the Township. Substantially greater amount of regular days off provide for the opportunity for greater vacation time despite a modification to the "day for day" approach. The police officers will also benefit from a higher adjusted base pay as a result of the additional hours worked thereby increasing the value of paid vacation time. I award the Township's proposal in terms of structure but I award some additional hours of paid vacation time to supplement the number of hours that the Township has proposed. In the event that the 12 hour workday and 42 hour workweek is implemented, I award an additional 10 hours of paid vacation time on the vacation schedule proposed by the Township for 2006 and an additional 10 hours in 2007. These additional hours shall be included in the schedule commencing with the step "Two (2) years through five (5) years." Accordingly, the vacation schedule awarded shall read:

Effective 1/1/06 (12 hour shift schedule)

1. During the first year of employment – eight (8) hours for each month of employment to a maximum of 96 hours after completion of one year of employment.
2. Two (2) years through five (5) years - 118 hours
3. Six (6) years through ten (10) years - 130 hours
4. 11 years through 15 years - 142 hours
5. 16 years through 20 years - 166 hours
6. 21 years or more - 214 hours

Effective 1/1/07

1. During the first year of employment – eight (8) hours for each month of employment to a maximum of 96 hours after completion of one year of employment.
2. Two (2) years through five (5) years - 128 hours
3. Six (6) years through ten (10) years - 140 hours
4. 11 years through 15 years - 152 hours

- 5. 16 years through 20 years - 176 hours
- 6. 21 years or more - 224 hours

Detectives shall maintain their existing practice within their division on hours and vacation/holiday application as per their practice.

LONGEVITY

The Township has proposed to eliminate longevity pay for new hires. The Township proposal supports its proposal with the argument that this benefit is no longer justified based upon the increasing levels of salary for police officers. The Association urges rejection of this proposal.

Currently, longevity benefits are stated in Article V, Section H. Section H states:

- H. Regular full-time employees shall be paid longevity increments based on the following schedule:

<u>Length of Service</u>	<u>Increment</u>
10 years but less than 15	4% of base salary
15 years but less than 20	8% of base salary
20 years but less than 30	12% of base salary
30 years or more	14% of base salary

The arguments of the Township seeking the elimination of longevity benefits must give way to the evidence that longevity elimination is not the prevailing trend in Burlington County. An elimination could affect continuity and stability of employment by causing comparable compensation levels to be deprived when similar municipalities compete for new and/or experienced police officers. For the current contract duration I conclude that the Township's

proposal be dismissed with some modifications. New employees will benefit from the sharply increased salary levels awarded and some modification to the longevity schedule for new hires is appropriate. There is little justification for a 14% step for 30 years or more of service. Most labor agreements in law enforcement do not provide this type of step or provide for incentives to remain on the police force for 30 years or more. A deletion of this step is appropriate and is reasonable for officers hired on or after the date of this award. I award further modifications for employees hired on or after the date of the award as follows:

<u>Length of Service</u>	<u>Increment</u>
10 years but less than 15	4% of base salary
15 years but less than 20	6% of base salary
20 years but less than 30	8% of base salary
25 years or more	10% of base salary

UNIFORM/CLOTHING ALLOWANCE

The Township and the Association have each made proposals to adjust the uniform allowance. The present Agreement provides as follows:

ARTICLE XX – UNIFORM, CLOTHING AND TRAVEL ALLOWANCE

- A. Employees will, after completing their first full year of service and for each full year thereafter, receive a Uniform or Clothing Allowance annually according to the following schedule: (Purchase to be made through the Township)

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
Detectives	\$750.00	\$750.00	\$750.00	\$800.00
Police Officers	\$750.00	\$750.00	\$750.00	\$800.00

The Township has proposed to increase the uniform/clothing allowance to \$850 effective January 1, 2005. The Association has proposed to increase the uniform allowance to \$850 in 2004, to \$900 in 2005, to \$950 in 2006 and to \$1,000 in 2007. In addition, the Association has proposed a new benefit, a Uniform Maintenance/Cleaning Allowance of \$200 in 2006 and \$225 in 2007.

In evaluating the merits of the respective proposals, I have considered the cost impact as well as adjustments that have been made in comparable law enforcement departments in Burlington County. After doing so, I award a uniform allowance increase of \$50 in 2005, an additional \$50 in 2006 and an additional \$50 in 2007. The uniform maintenance allowance shall appear in Article XX as follows:

2005	\$850
2006	\$900
2007	\$950

I also conclude that the Association has not met its burden to establish the new benefit of a Uniform Maintenance/Cleaning Allowance during the term of this Agreement.

OVERTIME

The Township and the Association each propose a revision to the overtime provision set forth in Article XI. The Association proposes the following:

Officers shall have the option of accepting overtime or compensatory time at the same equation of 1 ½ time rate.

The Township proposes that "Paid time off related to sick leave, funeral leave and military leave shall not be counted for the purpose of calculating overtime pay eligibility."

After due consideration of these respective proposals, and the evidence and argument in support of these proposals, I conclude that neither the Township nor the Association has met its burden to add either of its proposals to the existing Agreement.

HEALTH INSURANCE BENEFITS

The Township, in Article XII, provides a comprehensive health insurance program including prescription, health benefits, hospitalization, accident and sickness insurance, pension, life and police liability insurance. The Township's proposals to modify this program were revised during negotiations to provide the following levels of benefits.

Medical Insurance

Effective on or after the date of the award:

\$10.00 per primary visit

\$10.00 per specialist visit

\$25.00 per ER visit (hospital)

Effective 1/1/07: \$15.00 per primary visit

\$50.00 per ER visit (hospital)

Prescription

1/1/05 Co-pay – \$5.00 generic, \$10.00 per brand name

1/1/06 Co-pay – Same as 2005

1/1/07 Co-pay - \$5.00 generic, \$15.00 per brand name

Mail order to remain 0 co-pay all three years

The adjustments in these programs proposed by the Township are reasonable and consistent with the interests and welfare of the public to continue to provide comprehensive health insurance to police officers but also to have some relief from the substantial increases the Township has experienced in its health insurance premiums. For these reasons, I award the Township's proposals.

RETIREE MEDICAL BENEFITS

The Township has also proposed to modify retiree medical benefits. Article XII, Section 4, paragraph 2, line 3 states that the retiree benefit package is "to be paid in full by the Township." The Township proposes to delete the language "to be paid in full by the Township." The Association opposes this proposal.

The Township further seeks to add the following language to Section F:

Costs of said benefit package shall be on the same terms and conditions to which current employees are subject.

The Association opposes this proposal.

The Agreement, at Article XII, Section 5, provides that employees who have 25 years of full-time service with the Township an entitlement to receive reimbursement for health benefits for a maximum of 15 years following retirement, until they reach the age of 65. The Agreement also provides a co-pay schedule that sets for the percentage (%) of costs to be paid by the Township as follows:

Years of Service to the Township	Township % of Costs
25 and greater	100
24	90
23	90
22	90
21	90
20	85
19	85
18	85
17	80
16	75
15	70
14	70
13	65
12	65
11	60
10	50

The Township proposes to modify the above table to the following percentage schedule:

25 years and greater	80%
20 through 24 years	75%
15 through 19 years	60%
10 through 14 years	50%

The Association opposes this proposal.

The Association has also made proposals with respect to retiree medical benefits. The Association proposes that the following be added to the Agreement:

- (a) For the existing members of the Association hired prior to 1/1/06 the following retirement medical benefit shall apply, those hired after 1/1/06 shall enjoy the benefits of Article as outlined.

Officers with a minimum of 16 years service with the Township and has prior credits or experience under NJ Police and Fire Retirement System, then their officers shall be eligible to apply these credits to the Township Benefit.

- (b) Reduce retirement medical benefit to 25 years of service to Cinnaminson for all unit members.

For the reasons stated below, I do not award the proposals, in whole or in part, made by the Township or the Association.

This issue has been a difficult one for each party. One reason for this difficulty is the fact that the parties, in their last agreement, negotiated this provision as part of a total package. The Association now views the lower salary increases it agreed to in exchange for the benefit as having been too steep. The Township views the expense associated with providing the benefit as too great. Thus, the Association seeks improvements while the Township seeks concessions. It is my view that the quid pro quos that were necessary to have made this agreement in the prior contract should remain and that the Township and the Association should abide by their previous agreement through this contract term. Proposals to modify this provision in future agreements are not precluded by my dismissal of both parties' proposals.

ADJUSTMENTS

The Association proposes, and the Township rejects, that there be new adjustments paid to police officers who are certified within the listed categories in the following amounts:

K-9	\$2,500.00
FTO	3 days compensatory time
EMT	\$1,000.00

These amounts shall be included within the officer's base salary.

The Association has established that those officers assigned to K-9 and as FTO do devote additional time beyond their normal workday to fulfill the requirements of these positions. I award stipends to these positions effective

January 1, 2006 in the amounts of \$1,000 for K-9 and \$500 for FTO. The proposed stipend for EMT is denied.

In rendering the terms of this Award, I have found all of the statutory criteria to be relevant although not all are entitled to the same weight. I have given greater weight to the interests and welfare of the public [N.J.S.A. 34:13A-16g(1)]. This factor requires that the Award not compel the Township to exceed its spending limitations [N.J.S.A. 34:13A-16g(5)] and that law enforcement services be maintained at their highest level at affordable costs. Adjustments will cause increased spending but offsets are provided in health insurance and a changed longevity scale for new hires. The Township's discretion to modify the work schedule will create greater efficiency in manning levels and meets its administrative goals while also promoting enhanced terms and conditions for the police officers. The continuity and stability of employment [N.J.S.A. 34:13A-16g(8)] will be maintained by giving weight to comparability evidence in law enforcement units within the County [N.J.S.A. 34:13A-16g(2)] that preserve wages and benefits [N.J.S.A. 34:13A-16g(3)] at attractive levels. As previously determined, the terms will not cause adverse financial impact on the governing unit, its residents and taxpayers [N.J.S.A. 34:13A-16g(6)].

Based upon all of the above, I respectfully submit the following Award.

AWARD

1. All proposals by the Township and the Association not awarded herein are denied and dismissed. All provisions of the existing agreement shall be carried forward except for those modified by the terms of this award.

2. **Duration**

The effective date of this Agreement shall be January 1, 2004 through December 31, 2007.

3. **Salary**

The following salary schedules shall become effective retroactive to their effective dates unless the Township implements the 12 hour workday and 42 hour workweek:

<u>Position</u>	<u>1/1/04</u>	<u>1/1/05</u>	<u>1/1/06</u>	<u>1/1/07</u>
<u>Police Sergeant/Detective Sergeant</u>	3.75%	4.0%	4.25%	4.25%
3 yrs. But less than 4 yrs.	57,502	59,802	62,344	64,994
4 yrs. But less than 5 yrs.	59,666	62,052	64,689	67,439
5 yrs. or more	69,884	72,768	75,768	78,988
Police Officers/Detectives				
Up to 1 yr of service	33,883	35,328	36,736	38,297
1 yr. but less than 2 yrs.	49,189	51,156	53,331	55,597
2 yrs. but less than 3 yrs.	51,360	53,415	55,685	58,052
3 yrs. but less than 4 yrs.	53,606	55,750	58,119	60,589
4 yrs. or more	63,336	65,870	68,669	71,588

The salaries and wages to be paid to unit employees hired on or after January 1, 1997, are as follows:

<u>Position</u>	<u>1/1/04</u>	<u>1/1/05</u>	<u>1/1/06</u>	<u>1/1/07</u>
<u>Police Sergeant/Detective Sergeant</u>	3.75%	4.0%	4.25%	4.25%
3 yrs. but less than 4 yrs.	57,501	59,801	62,343	64,993
4 yrs. but less than 5 yrs.	60,597	63,021	65,700	68,492
5 yrs. but less than 6 yrs.	64,009	66,569	69,398	72,348
6 yrs. but less than 7 yrs.	66,789	69,461	72,413	75,490
7 yrs. or more	69,884	72,679	75,768	78,988
Police Officers/Detectives				
Up to 1 yr of service	33,883	35,238	36,736	38,297
1 yr. but less than 2 yrs.	38,792	40,344	42,058	43,846

2 yrs. but less than 3 yrs.	43,700	45,447	47,379	49,393
3 yrs. but less than 4 yrs.	48,610	50,554	52,703	54,943
4 yrs. but less than 5 yrs.	53,518	55,659	58,025	60,491
5 yrs. but less than 6 yrs.	58,427	60,764	63,346	66,039
6 yrs. or more	63,337	65,871	68,670	71,589

4. **Salaries for Police Radio Dispatchers, Police Clerk Typist and Administrative Clerk**

Salary increases for the above titles shall be increased by the following percentages effective and retroactive to their effective dates.

January 1, 2004	3.75%
January 1, 2005	4.0%
January 1, 2006	4.25%
January 1, 2007	4.25%

5. **Work Day / Work Week**

The Township shall have the discretion to implement a 12 hour workday and 42 hour workweek work schedule. In the event of implementation, the salary schedule for unit employees who work a 42 hour workweek shall be adjusted to yield the following annual salaries.

<u>Position</u>	<u>2006</u>	<u>2007</u>
<u>Police Sergeant/Detective Sergeant</u>		
3 yrs. But less than 4 yrs.	67,020	69,868
4 yrs. But less than 5 yrs.	69,541	72,496
5 yrs. or more	81,451	84,912
 Police Officers/Detectives		
Up to 1 yr of service	39,491	41,170
1 yr. but less than 2 yrs.	57,331	59,767
2 yrs. but less than 3 yrs.	59,861	62,405
3 yrs. but less than 4 yrs.	62,478	65,133
4 yrs. or more	73,820	76,958

The salaries and wages to be paid to unit employees hired on or after January 1, 1997, are as follows:

<u>Position</u>	<u>2006</u>	<u>2007</u>
<u>Police Sergeant/Detective Sergeant</u>		
3 yrs. but less than 4 yrs.	67,020	69,868
4 yrs. but less than 5 yrs.	70,628	73,629
5 yrs. but less than 6 yrs.	74,603	77,773
6 yrs. but less than 7 yrs.	77,844	81,152
7 yrs. or more	81,451	84,912

Police Officers/Detectives		
Up to 1 yr of service	39,491	41,170
1 yr. but less than 2 yrs.	45,212	47,134
2 yrs. but less than 3 yrs.	50,932	53,097
3 yrs. but less than 4 yrs.	56,656	59,064
4 yrs. but less than 5 yrs.	62,377	65,028
5 yrs. but less than 6 yrs.	68,097	70,991
6 yrs. or more	73,820	76,958

6. **Vacation**

In the event of the implementation of the 12 hour workday and 42 hour workweek, the vacation schedules shall be modified to reflect the following. In the event that the change is made in a mid contract year, the new schedule shall be implemented on a proportional basis.

Effective 1/1/06 (12 hour shift schedule)

1. During the first year of employment – eight (8) hours for each month of employment to a maximum of 96 hours after completion of one year of employment.
2. Two (2) years through five (5) years - 118 hours
3. Six (6) years through ten (10) years - 130 hours
4. 11 years through 15 years - 142 hours
5. 16 years through 20 years - 166 hours
6. 21 years or more - 214 hours

Effective 1/1/07

1. During the first year of employment – eight (8) hours for each month of employment to a maximum of 96 hours after completion of one year of employment.
2. Two (2) years through five (5) years - 128 hours
3. Six (6) years through ten (10) years - 140 hours
4. 11 years through 15 years - 152 hours
5. 16 years through 20 years - 176 hours
6. 21 years or more - 224 hours

Detectives shall maintain their existing practice within their division on hours and vacation/holiday application as per their practice.

7. **Uniform Allowance**

Payment for uniform allowance shall be adjusted as follows:

2005 \$850
2006 \$900
2007 \$950

8. **Adjustments**

Police officers assigned to K-9 and FTO shall, effective January 1, 2006, receive the following stipends to be calculated as part of their base pay. Payments shall be pro-rated on an annual basis if assignments are for less than an annual period.

K-9 \$1,000.00
FTO \$500.00

9. **Health Insurance**

Medical Insurance:

Effective on the date of the award:

\$10.00 per primary visit
\$10.00 per specialist visit
\$25.00 per ER visit (hospital)

Effective 1/1/07 \$15.00 per primary visit
\$50.00 per ER visit (hospital)

Prescription:

1/1/05 Co-pay – \$5.00 generic, \$10.00 per brand name
1/1/06 Co-pay – Same as 2005
1/1/07 Co-pay - \$5.00 generic, \$15.00 per brand name
Mail order to remain 0 co-pay all three years

10. **Longevity**

Police officers hired on or after the date of the award shall receive the following longevity schedule:

<u>Length of Service</u>	<u>Increment</u>
10 years but less than 15	4% of base salary
15 years but less than 20	6% of base salary
20 years but less than 30	8% of base salary
25 years or more	10% of base salary

11. **Stipulations**

1. **Pay Day**

On the 15th and 30th of each month

2. **Probationary Employees**

A newly hired non-police employee during the first 12 months of employment shall be a probationary employee and shall not accrue any seniority in the bargaining unit until the probationary period is completed.

3. A newly hired police officer will be a probationary employee in accordance with the working test period provision of N.J.A.C. 4A-4.5 2D, D1 and I.

4. **Grievance Procedure**

Change 5 working days to 10 working days and – Only the Association Executive Board shall be authorized to move a grievance to Arbitration.

5. **Arbitration**

Replace A.A.A. with PERC

6. **Shifts**

Delete reporting to work 15 minutes prior to the start of the shift.

7. **Overtime**

(a) Change overtime language to reflect the 12 hour shift.

(b) Retain the \$200.00 stipend for on call weekends (Detectives).

(d) Retain the first line only relating to FLSA – delete balance of the sentence.

(f) Agreed to and language making it clear that the three (3) shift structure does not apply to 12 hours shifts.

(i) Deleted as it relates to quarterly payment which has been eliminated.

8. **Uniform**

New officer shall be provided with a full complement of clothing and equipment as specified by the department and attached.

Any clothing and equipment change as instituted by the department shall be at the Township expense and not part of an officer allotment or allowance.

9. **Military Leave**

All military leave shall be granted by the Township in conformance to Title 18A:4.4 or regulations governing this provision.

10. NJ and Federal Family Leave Acts shall be added to leave provisions.

11. **Working Conditions**

An officer selected to serve as Senior Police Officer will be paid a \$40.00 day stipend.

12. **Miscellaneous**

The officer in charge stipend shall be increased to \$40.00 a day.

13. **State Short Term Disability Plan**

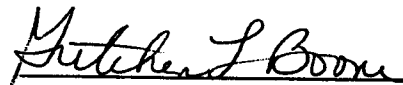
Both parties agreed to incorporate within the contract the state short term disability plan as proposed and outlined on 11/22/05.

Dated: April 6, 2006
Sea Girt, New Jersey


James W. Mastriani

State of New Jersey }
County of Monmouth }ss:

On this 6th day of April, 2006, 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.



GRETCHEN L. BOONE
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires 8/13/2008