

**NEW JERSEY STATE PUBLIC EMPLOYMENT RELATIONS COMMISSION**

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**In the Matter of the Interest Arbitration between**

CITY OF CAMDEN,

Public Employer,

NJ PERC Case No.

IA-2025-012

and

INTERNATIONAL ASSOCIATION OF  
FIRE FIGHTERS LOCAL 788,

Union.

-----X  
Before **DEAN L. BURRELL, ESQ., Impartial Arbitrator**

**APPEARANCES:**

**For the Union**

Michael A Bukosky, Esq.

Counsel for Union

Michael A. Bukosky and Associates, LLC

William Perez

President, Union

Kevin Cooper, Jr.

Vice President, Union

Thomas J. Flores

Treasurer, Union

Raphael Caprio, PhD

Expert for Union

**For the Employer**

Michael J. DiPiero, Esq.

Counsel for City of Camden

Brown and Connery

Gerry Seneski

Chief Financial Officer

Michele Meade

Deputy Director, Division of Community Affairs, Department of  
Local Government Services

## **PROCEDURAL HISTORY**

The International Association of Fire Fighters Local 788 (“IAFF” or the “Union”) and the City of Camden, New Jersey (the “City” or the “Employer”) were signatories to a collective bargaining agreement with a duration from January 1, 2021 to December 31, 2024, covering a unit of all uniformed Fire Fighters of the Camden Police Department, including the classifications of Fire Fighter and Fire Prevention Specialist. After unsuccessful bargaining between the parties for a successor agreement, on January 10, 2025, the Union filed its Petition to Initiate Compulsory Interest Arbitration pursuant to the Police and Fire Interest Arbitration Reform Act, N.J.S.A. 34:13A-16 (the “Act”).

The Undersigned was randomly assigned on January 21, 2025, to hear this interest arbitration petition by the New Jersey Public Employment Relations Commission (“NJ PERC”) with the Award due ninety days thereafter. Mediation was unsuccessfully attempted on February 14, 2025. Final Offers were submitted by the parties on February 28, 2025. Hearings were conducted by the Undersigned on March 11 and 12, 2025. During the hearing the parties provided extensive exhibits and presented testimony from William Perez (President Union), Kevin Cooper Jr. (Vice President Union), Dr. Rafael Caprio (Expert for Union), Thomas J. Flores (Treasurer Union), Gerry Seneski (CFO Camden) and Michele Meade (Deputy Director, New Jersey Division of Community Affairs, Department of Local Government Services).

Both parties were afforded the full opportunity to examine and cross-examine witnesses, submit evidence, and present arguments in support of their respective positions. The parties submitted briefs on April 1, 2025, and the record was closed. The evidence adduced and the

positions and arguments set forth by the parties have been fully considered in preparation of this Interest Arbitration and Award.

**PARTIES' FINAL OFFERS**  
**IAFF LOCAL 788**

1. **Term** of Agreement - 2025 through 2028

2. **Wages:**

The union proposes to roughly mirror the same salary guide which the City Representatives negotiated with the police unit. The City revamped the entirety of the police unit salary guide and Local 788 proposes that the same paradigm be applied in this matter.

The union has "lifted" the majority of the salary guide provisions previously offered by the employer to this unit and grafted a new top step which matches the base salary extended to the police unit. (See attached salary guide)

Union Proposal  
Movement to next step begins 7/1/2025

		2024	2025	Old/New Steps	2026	2027	2028
Training	\$	34,674	\$ 47,302	T	\$ 47,302	\$ 47,302	\$ 47,302
1	\$	55,284	\$ 55,278	1/1	\$ 55,278	\$ 55,278	\$ 55,278
2	\$	63,254	\$ 63,254	2/2	\$ 63,254	\$ 63,254	\$ 63,254
3	\$	71,230	\$ 71,230	3/3	\$ 71,230	\$ 71,230	\$ 71,230
4	\$	79,203	\$ 79,203	4/4	\$ 79,203	\$ 79,203	\$ 79,203
5	\$	91,553	\$ 91,553	4.1/5	\$ 84,177	\$ 84,177	\$ 84,177
6	\$	98,675	\$ 96,000	4.2/6	\$ 89,151	\$ 89,151	\$ 89,151
7			\$ 102,658	4.3/7	\$ 94,125	\$ 94,125	\$ 94,125
8			\$ 107,329	5/8	\$ 102,671	\$ 95,252	\$ 97,157
9			\$ 114,000	6/9	\$ 107,329	\$ 104,725	\$ 106,819
10				7/10	\$ 116,000	\$ 109,475	\$ 111,665
11				8/11		\$ 118,605	\$ 121,939

- (a). During the term of this agreement step movement will occur on July 1st. Following the term of this contract step movement on anniversary date will be restored.
- (b). Any step movement that has already occurred in 2025 will continue
- (c). Each step corresponds to years of service less one (to account for training step)

3. **Longevity** - All steps increased by \$1,000.  
Lump sum shall be converted to roll in.
4. **Health Benefit contribution** (active and retired)
  - a. Reduce contribution to tier 3
  - b. Cap any future increases at 2024 rate
  - c. Retiree rate capped at 1.5%
5. **Union Leave** Restore Union Leave Time Clause which existed in prior collective agreement
6. **Overtime** - Any involuntary hold over or call in will be paid at overtime rate.
7. **Prior Settlements** - Incorporate the terms of the Union Leave, Vacation and the Holiday scheduling settlements
8. **Holidays** - Memorialize existing Juneteenth holiday

## **CITY OF CAMDEN**

1. **Term of Agreement** – Four Years
2. **New Article – Management Rights** [see below]
3. **Article III – Union Representation and Membership** – Section 1 – reduce number of representatives that can be excused at one time from four (4) to three (3).
  - a. Section 3 – Revise section to permit one 12-hour shift for each negotiation session.
  - b. Section 4 – Revise section to limit paid union leave to weekdays.
  - c. Section 5 – Reduce the authorized representatives from four (4) to two (2) for County or State Union meetings.
  - d. Section 6 – Delete (refers to employee with position for City, County or State Union)
4. **Article IV – Retirement** – Revise the Article as follows
  - a. Eliminate Section 2 (terminal leave from 1996).

- b. Section 5 and Section 6 – Capitate all leave payments at retirement at \$15,000.
  - c. Delete Section 10 (leave payouts for vacation earned by 1996)
- 5. **Article IX – Work Week** – Revise Article to include current work schedules
- 6. **Article X – Sick Leave** – New Section- FMLA shall run concurrent to all eligible paid leaves
- 7. **Article XI – Injury on Duty Leave-** Section 3 – Delete (eliminates the accrual of paid leave during injury leave)
- 8. **Article XIV – Grievance Procedures-** Section 3 STEP FOUR – revise section to split the costs of arbitration between the parties
- 9. **Article XV – Funeral Leave** – New Section- all funeral leave shall begin on the date of the relative’s death
- 10. **XXII Overtime** – Revise Article as follows
  - a. Delete Section 1 (OT for all hours outside scheduled hours)
  - b. Delete Section 6 (union officers and OT list)
- 11. **Article XXVI – Wages**
  - a. See attached proposal [below]
  - b. Section 2- Delete second paragraph (acting in higher ranking position)
- 12. **Article XXXI – Holidays**
  - a. Section 1 – Reduce the number of holidays from 14 to 13 (eliminating Good Friday)
  - b. Section 2 – Eliminate holidays declared by Governor or President
- 13. **Article XXXVI – Longevity-** Freeze all amounts at current level regardless of years of service

## **NEW ARTICLE**

### **Management Rights**

**Section 1.** The City of Camden hereby retains and reserves unto itself, without limitation, all powers, rights, authority, duties, and responsibilities conferred upon and vested in it prior to the signing of this agreement by the Law and Constitution of the State of New Jersey and of the United States, including, but without limiting the generality of foregoing, the following rights:

- (a) The executive management and administrative control of the City government and its properties and facilities and activities of its employees by utilizing personnel, methods, and means of the most appropriate and efficient manner possible as may from time to time be determined by the City.
- (b) To make rules of procedure and conduct, to use improved methods and equipment, to determine work schedules and shifts, to decide the number of employees needed for any particular time, and to be in sole charge of the quality and quantity of the work required.
- (c) The right of management to make, maintain and amend such reasonable rules and regulations as it may from time to time to deem best for the purposes of maintaining order, safety, and/or the effective operation of the Department after advance notice thereof to the employees to require compliance by the employees is recognized.
- (d) To hire all employees and, subject to the provisions of law, to determine their qualifications and conditions of continued employment or assignment, and to promote and transfer employees.
- (e) To suspend, demote, discharge, or take any other appropriate disciplinary action against any employee for good and just cause according to law.
- (f) To lay off employees in the event of lack of work or funds or under conditions where continuation of such work would be ineffective or nonproductive.
- (g) The City reserves the right with no regard to all other conditions of employment not reserved to make such changes as it deems desirable and necessary for the efficient and effective operation of the Department.

**Section 2.** In the exercise of the foregoing powers, rights, authority, duties, and responsibilities of the City, the adoption of policies, rules, regulations, and practices, and the furtherance thereof, and the use of judgment and discretion in connection therewith shall be limited only to the specific and express terms hereof are in conformance with the Constitutions and Laws of New Jersey and of the United States.

**Section 3.** Nothing contained herein shall be construed to deny or restrict the City of its rights, responsibilities and authority under R. S. 40A, or any other national, state, county, or local laws or regulations.

## Employer Wage Proposals

	Step	2024	2025	2026	2027	2028	2029	Hr Rate	Step Diff	% Inc
<b>Fire Fighter</b>	R	34,674	47,302	47,302	49,000	49,000	49,000	23.56		
	1.0	55,278	55,278	55,278	56,000	56,000	56,000	26.92	7,000.00	14.3%
	2.0	63,254	63,254	63,254	63,000	63,000	63,000	30.29	7,000.00	12.5%
	2.1				70,000	70,000	70,000	33.65	7,000.00	11.1%
	3.0	71,230	71,230	71,230	74,000	74,000	74,000	35.58	4,000.00	5.7%
	4.0	79,203	79,203	79,203	78,000	78,000	78,000	37.50	4,000.00	5.4%
	4.1				82,000	82,000	82,000	39.42	4,000.00	5.1%
	4.2				85,500	85,500	85,500	41.11	3,500.00	4.3%
	4.3				89,000	89,000	89,000	42.79	3,500.00	4.1%
	4.4						92,500	44.47	3,500.00	3.9%
Entering 18th PFRS	5.0	91,553	91,553	93,842	96,188	96,000	96,000	46.15	3,500.00	3.8%
	6.0	98,675	98,675	101,142	99,500	99,500	99,500	47.84	3,500.00	3.6%
	7.0				103,000	103,000	103,000	49.52	3,500.00	3.5%
	8.0					106,500	106,500	51.20	3,500.00	3.4%
	9.0						110,000	52.88	3,500.00	3.3%
<b>Fire Prevention</b>										
New Flat Pay Rate	4.0	100,228	100,228	101,142	103,000	106,500	110,000	52.88		
Grandfathered	5.0	109,408	109,408	112,143	114,947	117,821	120,767	58.06		
<b>Longevity - Entering Yr</b>										
		<b>Fire Fighter</b>	<b>Fire Prevention</b>							
10th - 14th		2,265	2,604							
15th - 17th		3,775	4,340							
18th - 19th		4,068	4,511							
20th		5,695	6,315							
21st - 23rd		7,323	8,119							
24th - Retirement		8,950	9,924							

### Excerpt from City Exhibit 23 Our Proposal/Cost Out, page 4

Static Guide over 5 years.

2025 - Step progressing as mandated by court order - Zero for those at top (step 5 and 6)

2026 - same guide as 2025 - those on the guide (step 1-4) are frozen at that step - 2.5% COLA for those at top (step 5 and 6)

2027 - Add Bubble Steps (2.1 , 4.1, 4.2, and 4.3) - Add progression steps over the top (steps 7, 8 and 9)

2027 - Slight modification to all steps on the guide, to create logical progression

2027 - Those on step 6 move to step 7 - those on step 5 stay on step 5 (2.5% COLA for step 5)

2028 - same guide a 2027 - Those on step 5 progress to step 6 - all other steps have normal progression

2029 - add step 4.4 to further smooth the bubble - All employees progress to next step

## **STATUTORY CRITERIA**

This proceeding requires the application of the nine §16g interest arbitration criteria to the extent deemed relevant. See N.J.S.A. 34:13A-16.7(b) and 16g. The applicable statutory criteria states;

The arbitrator shall 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 relevant factor; provided, however, that in every interest arbitration proceeding, the parties shall introduce evidence regarding the factor set forth in paragraph (6) of this subsection and the arbitrator shall analyze and consider the factor set forth in paragraph (6) of this subsection in any award:

(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, that 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 P.L.1976, c.68 (C.40A:4-45.1 et seq.).

(6) The financial impact on the governing unit, its residents, the limitations imposed upon the local unit's property tax levy pursuant to section 10 of P.L.2007, c.62 (C.40A:4-45.45), 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 employee's 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 of 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 a 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.

(9) Statutory restrictions imposed on 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 section 10 of P.L.2007, c.62 (C.40A:4-45.45).

## **BACKGROUND**

The City of Camden, located in Camden County, New Jersey, has a population of around 71,000 residents per the 2020 census, down from 124,555 according to the 1950 census. It is the most "distressed city" in the State pursuant to the 2023 New Jersey Department of Community Affairs ("DCA") Municipal Revitalization Index. Camden has an unemployment rate of 7.3%,

around 33.5% of families, and 36.1% of the population are below the poverty line, including 50.3% of those under age 18 and 26.2% of those age 65 or over. According to the 2020 Census 52.8% of the population identifies as Hispanic, 38.72 % as Black, 1.71% Asian, and 4.07% Caucasian.

For a number of years Camden has received transitional and other types of aid from the State as a “distressed city” within the meaning of New Jersey Special Municipal Aid Act,. Pursuant to that statute, the DCA via its Division of Local Government Services (“DLGS”) strictly controls and monitors the City’s finances. DLGS must approve the City’s annual budget, labor, and other contracts. In 2024, Camden received \$131,284,653 in State aid. In 2025, it is budgeted for \$121,758,827 in State aid, or 52.7% of the City’s budgeted 2025 total revenue. Camden has requested an additional \$26,045,000, which is 11.3% of total revenue.

In 2025, the City anticipates generating \$83,110,827 of its projected \$230,914,654 budget needs, approximately 36%. The City also expects to receive \$11,427,964 in payments in lieu of taxes (“PILOTs”), which are economic incentives to develop property where community impact fees are paid rather than taxes. Approximately 27.6%, \$22,961,432 of the \$83,110,827 is derived from the City’s current revenue surplus of approximately \$101 million. The surplus in 2022 was \$17 million.

## **POSITION OF THE PARTIES**

### **A. THE UNION’S POSITION**

This matter was submitted under the existing Interest Arbitration Act when filed on January 10, 2025, and is therefore not subject to a 2% hardship cap. The Union has proposed Longevity as an either/or salary proposal up to the discretion of the Arbitrator, i.e., the Union seeks

Longevity be incorporated into salary and does not seek Longevity in addition to its salary guide proposal.

The Union's wage proposal will have minimal financial impact, the starting point of the §16g analysis. Starting with base 2024 salary costs at \$12,455,974, under the Union proposed wages there is a decline to \$11,419,144 in 2025 (-8.32%); salary costs in 2026 of \$11,864,947 resulting in a 4.74% reduction from 2024; salary costs in 2027 of \$12,260,309 resulting in a 1.57% reduction from 2024. It is not until the final year of the contract in 2028 that salary costs increase, to \$13,476,650, or 8.19% from the 2024 baseline.

This dramatic decrease is achieved by adding five new steps to the guide, delaying yearly salary and step increases from January 1 to July 1, and significant breakage. While the Union calculations show breakage, the Employer's calculations do not, despite applicable regulations and decisions of the NJ PERC holding that factoring in breakage gives a more accurate and precise calculation. N.J.A.C. § 19:16-5.7(g)(1)(i). See Passaic County Sheriff PBA Local 197, 2021 NJ PERC LEXIS 69; see also Mercer County PBA Local 139, 2021 NJ PERC LEXIS 47.

As shown by the below chart, applying this methodology establishes the cost of the Union's proposal at 2% per year over the contract, 8% total over the entire contract (without compounding), with the only increase of year-over-year costs from the 2024 base occurring in 2028 in the amount of \$1,020,676. This is offset by the reduction in costs in 2025, 2026, and 2027, totaling \$1,826,522 ( $=\$1,036,830+591,027+195,665$ ), for a total cost savings of \$805,846 over the life of the contract under the Union's proposal.

	2024	2025	2026	2027	2028
<b>Totals</b>	<b>\$12,455,974</b>	<b>\$11,419,144</b>	<b>\$11,864,947</b>	<b>\$12,260,309</b>	<b>\$13,476,650</b>
<b>Increase (Decrease)</b>					
<u>Over 2024 Base</u>		<u>\$ (1,036,830)</u>	<u>\$ (591,027)</u>	<u>\$ (195,665)</u>	<u>\$1,020,676</u>
<b>Percent change from 2024</b>		<b>-8.32%</b>	<b>-4.74%</b>	<b>-1.57%</b>	<b>8.19%</b>

The City's Fund Balance, aka "surplus," has risen from \$17,165,573 in 2021; to \$82,791,086 in 2022; to \$94,524,294 in 2023; and \$101,546,029 in 2024, an extraordinary amount. This is anticipated to generate over \$4,356,000 in interest in 2025, and the prior year the actual amount was \$6.8M versus an anticipated \$5M. This more than pays for the new contract.

The Union's proposal was designed to maintain the historical parity with the Police as to step movement and salary at the top of the scale. Police top salary in 2026 under their most recent contract won't be reached by firefighters even under the Union's proposal until 2028.

This Union's proposal is in the interest and welfare of the public as required by §16g(1). The public's greatest interest is fire suppression with the highest standard of workforce. Competitive compensation is crucial. Besides residents, there are a significant number of non-residents commuting through and in the City daily, responses to emergencies on the Ben Franklin Bridge, on Interstate 676, on the high speed rail line, and hazmat emergencies statewide to which the hazmat unit responds. There are many buildings that appear abandoned but are inhabited by homeless, so every building must be considered occupied for firefighting purposes. As Arbitrator Joe Weisblatt found in a previous interest arbitration involving the same parties, "The public interest demands a compensation package that attracts and retains highly qualified employees. . ."

at pg. 37 (Arbitrator Joel Weisblatt, October 22, 2012).

The unit has seen a large reduction from one hundred and forty (140) in 2024 to one hundred and twenty (120) members at the time of the hearing. This includes nine (9) promotions, one (1) termination, and eleven (11) retirements. Notably, they were not replaced, placing a higher workload and stress on remaining unit members.

§16g(2) compares the terms and conditions of employment of the relevant unit with other employees performing the same or similar services and with other employees generally. The NJ PERC's Biennial Interest Arbitration Report (below) shows the increasing trend of wages, which was 3.79% in 2023. Here, the Union's proposal averages 2% annually over the four year duration, almost half of the average award when considering the compounding effect of the average 3.79% award in 2023.

Year	IA Awards {non-2% Cap}	IA Awards {2% Cap}	IA Awards TOTAL *
2016	3.83%	1.94%	2.65%
2017	1.64%	2.05%	1.74%
2018	N/A	2.01%	2.01%
2019	3.62%	2.06%	3.36%
2020	1.72%	N/A	1.72%
2021	2.59%	N/A	2.59%
2022	2.29%	2.04%	2.26%
2023	3.79%	N/A	3.79%

The most relevant comparisons are between those performing the same or similar jobs. Contracts for two of the City's four uniformed emergency service groups, the Police Officers and Superiors, were finalized in 2025. Police services are provided pursuant to a shared services agreement with the County of Camden, but this does not diminish the comparability between Police and Fire units where they serve the same jurisdiction with the same working conditions and safety concerns. Accordingly, the Union maintains that the following comparisons are relevant in decreasing order: Camden County Police; Camden County Police Superiors; Cherry Hill Firefighters; fire departments with more than twenty-five firefighters, and large city firefighter units. The Camden Police salary guide is as follows:

Step	2022	Effective 1/1/2023	Effective 1/1/2024	Effective 1/1/2025	Effective 1/1/2026
Academy	\$ 32,035.00	\$32,915.96	\$ 49,620.54	\$ 50,985.10	\$ 52,387.20
Training	\$ 47,000.00	\$48,292.50			
I	\$ 51,817.00	\$53,241.97	\$ 56,000.00	\$ 57,540.00	\$ 59,122.35
2	\$ 54,408.00	\$55,904.22	\$ 60,000.00	\$ 61,650.00	\$ 63,345.38
3	\$ 57,128.00	\$58,699.02	\$ 69,000.00	\$ 70,897.50	\$ 72,847.18
4	\$ 59,985.00	\$61,634.59	\$ 79,000.00	\$ 81,172.50	\$ 83,404.74
5	\$ 66,133.00	\$67,951.66	\$ 87,500.00	\$ 89,906.25	\$ 92,378.67
6	\$ 69,440.00	\$71,349.60	\$ 96,000.00	\$ 98,640.00	\$ 101,352.60
7	\$ 72,912.00	\$74,917.08	\$ 108,500.00	\$ 111,483.75	\$ 114,549.55



8	\$ 76,558.00	\$78,663.35	\$ 111,500.00	\$ 114,566.25	\$ J 17,716.82
9	\$ 78,551.00	\$80,711.15	\$ 113,500.00	\$ 116,621.25	\$ 119,828.33
10	\$ 80,385.00	\$82,595.59	\$ 115,500.00	s 118,676.25	\$ 121,939.85
11	\$ 84,405.00	\$86,726.14	NO STEP 11	NO STEP 11	NO STEP 11

This chart shows that over their contract, Camden police unit received an increased top step from \$84,405 to \$121,939, a total increase of 39.8% over four years. The Union seeks the same top step of \$121,939. Police reach the top step in ten years and make over \$100k in six years. Their new contract decreased the number of steps. Conversely, even under the Union proposal, it will take firefighters nine years to reach around \$100k. The Camden Police Superiors 2022-2026 contract grants 2.75% annually or yearly, around \$4,028 for Captains and \$3,417 for Sergeants. This represents an increase of 38% for police which was unopposed by DCA, which greatly exceeds the Union's instant proposal, and stands in contrast to the City's proposed multiyear freezes for firefighters. There has been no reason or rationale offered where the fire department suffers from the same personnel shortages and recruitment issues as police.

The Expert Report by Union witness Dr. Rapheal Caprio ranked the average 2024 salary of the sixty-two (62) fire departments with twenty-four (24) professionals or more, finding Camden stood 42<sup>nd</sup> or in the bottom third. The average of all one hundred and forty six (146) firefighter units (including hybrid units) for 2024 was \$106,651. Of the sixty-two employers having more than twenty four (24) professionals, Margate City is the median at \$109,145, Camden is eleven slots lower and almost \$6k less. Almost all core urban centers exceed an average of \$110k.

The Weissblatt Award at 52 found the Township of Cherry Hill the most comparable to Camden. Their current salary guide is as follows:

	Salary 1/1/2024	Salary 1/1/2025	Salary 1/1/2026	Salary 1/1/2027	Salary 1/1/2028
1	\$55.000	\$55.000	\$58.000	\$58,000	\$60.000
2	\$58.850	\$58.850	\$60.616	\$60.616	\$62.434
3	\$62.970	\$62.970	\$64.859	\$64.859	\$66.804
4	\$67.377	\$67,377	\$69.399	\$69.399	\$71.481
5	\$72.094	\$72.094	\$74.257	\$74.257	\$76.404
6	\$77.140	\$77.140	\$79.455	\$79.455	\$81.838
7	\$82.540	\$82.540	\$85.016	\$85.016	\$87.567
8	\$88.318	\$88.318	\$90.968	\$90.968	\$93.697
9	\$94.500	\$94.500	\$97.335	\$97.335	\$100.255
10	\$101.115	\$101.115	\$104.149	\$104.149	\$107,273
11	\$108.193	\$108.193	\$111.439	\$111.439	\$114.782
12	\$115.000	\$115.000	\$119.000	\$119.000	\$120.000

Comparing the current Cherry Hill guide, it is clear the Union's proposed guide does no more than maintain parity between the two departments, though the Union has proposed increases be scheduled for July 1 rather than January 1. The evidence shows that other comparable jurisdictions, including Jersey City, North Hudson, Newark, and Bayonne, have guides above Camden, warranting the granting of the Union's proposal to maintain parity. In short, there is no empirical data supporting the City's position, whereas the criteria set forth in §§16g(2) and (3) fully support the Union's proposal.



Regarding non-law enforcement comparisons, the largest blue-collar union serving New Jersey Transit received historic increases of 3.5% annually each year 2023-2026, significantly higher than the 2% sought here by the Union. In the City of Paterson, the personnel director and data processing coordinator got raises of \$15k and \$17,606, pushing their salaries to \$105,000. In comparison to the private sector, members of the International Longshoremen Association at the Camden port received raises of 62% over six years.

§16g(4) considers any stipulations of the parties. Here, there were no relevant stipulations.

The City has proposed changes to Article III – Union Representation and Membership, reducing the number of representatives that can be excused at one time from four (4) to three (3) (Section 1); revising Section 3 to permit one 12-hour shift for each negotiation session rather than the current 24 hours; limiting paid union leave to weekdays (Section 4) excluding weekends; reducing the authorized representatives from four (4) to two (2) for County or State Union meetings (Section 5); and deleting Section 6 which excuses employees who hold a position with the County or State Union when required to perform duties. In short, the City seeks to reduce the amount of members on union leave and deny union leave on weekends. However, the Fire Chief testified that there has not been an instance where release time impacted operations. His reason for the proposal is that there is fewer personnel to go around. Conversely, the Union has proposed using release language from a prior contract.

Any issues regarding staffing stem from inadequate manpower and are unrelated to union leave. Eliminating weekend leave is unworkable where union representatives often have union business then, for example when a member is injured during a fire. The Chief testified that a fire

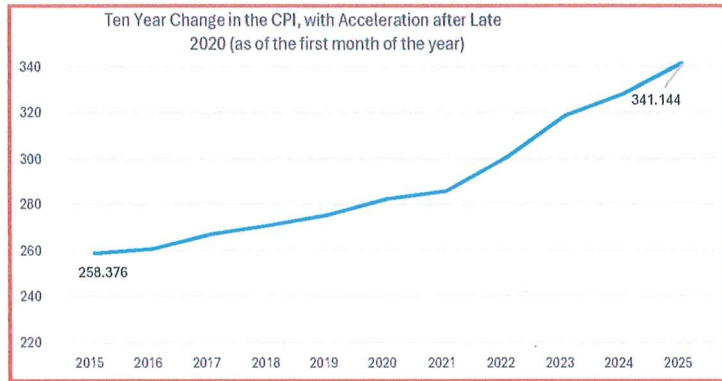
company has never been closed because of union leave. Conversely, the Union President testified to his active schedule of Union business, including nights and weekends. The City's proposals are unwarranted and unjustified in the absence of any evidence showing union leave as imposing a burden. Likewise, the City's proposed changes to Injury on Duty Leave, Funeral Leave, Overtime (acting in higher ranking position), Holidays and Longevity are lacking in any evidence as to need or justification and should be denied.

The Union has proposed that health benefit contributions for active and retired members be reduced to tier 3, that future increases be capped at the 2024 rate, and the retiree rate be capped at 1.5%. During the hearing, there was extensive testimony as to the hardships members are experiencing due to Chapter 78 contributions. A cap should be placed on contributions.

Since the first three years of the Union Last Best Offer results in lesser costs to the City, there is little financial impact. Since the City receives the majority of its revenue from sources other than property tax, there is no impact on the levy or appropriations cap. Even without those other resources with a \$100M surplus there would be no financial impact arising from the Union's proposal, so it meets §16g(5), the lawful authority of the employer; §16(6), the financial impact on the governing unit, its residents, the limitations imposed upon the local unit's property tax levy and; §16(9), statutory restrictions imposed on the employer. The "Hard Cap" status is inapplicable. The crucial factor here is that the base pay of the unit has been lowered by 20% attrition in the unit, though the work remains the same.

§16g(7) considers the cost of living. The below chart shows that inflation during the term of the expired contract reached a four decade high of 9.1%. The Consumer Price Index

establishes that the top salary would have to increase by \$11,783, or 12.96%, to simply keep pace with 2025.



The Union's proposal meets §16g(8), the continuity and stability of employment in the public service and private employment, where the Fire Department is hemorrhaging headcount and unable to recruit due to low pay. The Department is down around twenty personnel as testified to by the Chief, and when it tried to recruit twenty four new hires, it ultimately was only able to hire eight, with recruits declining to continue due to the low salary.

For the foregoing reasons, the Union's Last Position should be adopted by the Arbitrator.

## **B. The Employer's Position**

The City's Last Best Proposal exceeds the cost of living and its MOU with the State. The Union's proposal is even more extreme, seeking a 32.6% increase in compensation, including longevity over the proposed four years. This is not sustainable because the City cannot raise sufficient revenue. Comparing proposed salary increases between 2025-2028, the Union's proposal equals a 29.2% total increase versus the City's proposed 15% total increase. Economic

conditions, limited revenue sources, and strict oversight by the DCA calls for granting the City's Last Best Proposal by the Arbitrator.

With the City anticipating generating \$83,110,827 of its projected \$230,914,654 budget needs in 2025, pursuant to New Jersey's 2010 Local Unit Levy Cap law the maximum amount the City can receive under its levy in 2025 is \$31,470,002. Thereafter, the City's levy cap by statute is limited to increasing the levy amount to 3.0% annually. See N.J.S.A. 40A:4-45.44 et seq.

The City currently has a revenue surplus of around \$101M. Of the \$83,110,827 revenue anticipated by the City for 2025, a total of \$22,961,432 is being moved from the City's revenue surplus and will not be replenished. Thirty million dollars of the surplus was created by moving money from interfund loans to bank accounts. Forty-five million dollars of the revenue surplus was created in 2020 during the City's transition into a calendar year budget, when the Camden County Police Metro Police \$90M annual services contract was pre-paid with half being applied during that transition budget year and the other half became part of the revenue surplus. This was a one-time budget year transition so that money once spent will not be replenished. The State would advise against using the surplus to fund operational expenses, including salaries. Thus, revenue surplus should not be considered when considering the parties' proposals where the City and the State have agreed future distribution of revenue surplus funds. If the surplus is factored in, the rate of pay will remain the same after the surplus has been depleted and the City will then be unable to afford the higher compensation.

The State of New Jersey funds the remaining revenue of \$147,803,827 in part with \$45 million requested as Transitional Aid ("TA"). While TA is intended to decrease over time due to

Camden's extreme poverty in 2025, it is anticipated to increase. There is a significant concern here that DCA may deny TA if the Union's proposal is granted.

Due to increased expenses, the City cannot move towards self-sufficiency and has become more dependent on State funding, with a projected increase in its appropriation budget from \$209,128,033 in 2024 to \$230,914,654 in 2025, or 10.4%. \$150,031,319 of the 2025 budget is comprised of expenses the City cannot limit, including \$25,820,000 for health care. In 2022, the State mandated the City use \$26.5 million of a \$47 million trust fund reserve to offset health costs. In 2025, healthcare costs are anticipated to increase \$11.2 million from the year prior and between \$1.4 - \$2 million annually for five years. Similar to the \$101 million revenue surplus, a plan has been designed to use the \$47 million trust fund over an extended period, and should the Union's proposals be granted once the trust fund is exhausted the City would be left with higher increases exceeding the cost of living. Other costs over which the City has no control in 2025 includes \$91,463,964 for Metro Police which is County-run, pension costs which have increased by \$1.6 million to \$10,847,355; waste management costs tripling since 2023 to \$18 million; animal control expenses tripling over the past three years to \$1.9 million in 2025; and \$2 million in demolition expenses for unsafe properties.

The City's Budget Impact Analysis shows annual increases for the Union's proposal on July 1<sup>st</sup> yearly which the City has proposed changing the date to January 1<sup>st</sup> yearly, rather than individual anniversary dates. The City proposes to increase Union base salaries while freezing longevity payments at current levels, regardless of years of service. The Union proposes to increase Union base salaries; increase longevity by \$1,000 at all steps and roll the lump sum into

base salary at the 24<sup>th</sup> year; and reduce Union contributions for health benefits to tier 3 while capping future health benefit increases at 2024 rates and retiree rates at 1.5%.

The Union's proposal constitutes a 33.1% increase with a total budget impact of \$3,696,851. The City's proposal constitutes an increase of 15.0% with a budget impact of \$1,611,836. The average annual increase under the City's proposal is \$402,959 between 2025 and 2028, while under the Union's proposal, the average annual cost increase is \$924,213. Over the four-year period, the City's proposed base pay increases the total cost from \$40,834,508 to \$44,756,277, while the Union's proposal increases the total cost to \$48,898,292, a difference of \$4,142,015. The Union's proposal would increase longevity payment costs from \$1,038,200 to \$1,412,955, a difference of \$374,755, while the City has proposed a freeze. The Union's proposed health benefit contribution reduction and retiree caps would cost \$1,084,466. Thus, the total difference over the four-year period between the two proposals is \$5,601,236.

The interests and welfare of the public and membership will not be served by these unreasonable Union proposals. Firefighters start with a "step-on" rate upon graduating from the Academy of \$44,284. They then receive five years of annual step increases, averaging 12.32%, achieving \$98,685 after six steps and longevity pay following ten years of service, starting at 2.3% of pay and increasing to 10.1% upon eligibility for retirement, ending with a final total of \$108,608. There is also a clothing allowance of \$200 and an educational bonus of up to \$1,200. In FY 2024, the average unit members made \$81,508.78, over twice the median household income of Camden residents. The City has proposed modest increases, whereas the Union's proposal would drastically increase costs.

The City has proposed the addition of a management rights provision that defines its authority to decide policies, operations, efficiency, and other items not expressly contained in the contract. This is essential in conducting a successful Department and avoiding violations of the CNA, and is found in the contracts of other comparable departments in the region.

The Union leave provision permits up to four representatives to handle grievances; provides twenty-four hour leave for representatives to attend negotiations; grants union leave on weekends; and allows four representatives to attend county and/or state Union meetings. The City has proposed reducing the representatives from four to three for grievance handling, limiting leave time for negotiations to twelve hours, limiting union time to weekdays, and reducing the number of union reps to two for county or state meetings.

The City makes this proposal due to the severe staffing issues where the Department is down nineteen personnel at 177, 48 firefighters are needed per shift, without around 10% on leave, resulting in 36-38. This has caused periodic shut downs of companies since representatives on union leave are not available for emergencies, nor do they need a rest periods like those coming off an active shift so they can be available for an evening tour. Most Union business is conducted during the work week. Thus, these are reasonable proposals.

It appears the parties have reached agreement on funeral leave so this matter was not addressed at the hearing.

The City has proposed a five year agreement from 2025 to 2029. The Union has proposed a four year agreement from 2025-2028. Unit members received step movements in 2025, and since the parties are well into 2025, the City's proposal as to duration should be granted and the contract extended an additional year into 2029.

The City anticipates spending \$25,820,000 for health costs for all City personnel. The City changed providers, which, while not changing benefits or raising the copay, did result in cost savings for the City and unit. However, the Union's proposal health proposals will cost \$1,341,000 over four years. Leaving the status quo untouched will benefit the City and the unit. Granting this proposal would result in the only group of City employees not compliant with Chapter 78, including retirees and County Camden Police in the absence of any justification.

Applying the §16g factors, the City's proposal serves the interests and welfare of the residents and the Department. It is generous while reasonable given the City's constraints and economic crisis, and allows the City to remain competitive. Conversely, the Union's proposal is out of touch and ignores the public interest. An award beyond the City's Last Best Proposal risks grave financial results. The City is not available to provide increased aid. The City will be continuing in its status as a distressed municipality. The surplus is insufficient to afford the Union's demands, where the surplus reduction plan calls for depletion of \$36M over five years to decrease the deficit. There is also a ten year plan to bring down the surplus gradually with the goal of reducing state aid.

The interests and welfare of the public is best met by the City's proposal. The Union has relied upon the testimony of Dr. Raphael Caprio, who essentially maintains that Camden residents are undertaxed and state funding will always be needed, and that the municipal tax levy is an "insignificant revenue stream." In his analysis, Caprio was unaware that the levy cap for Camden is 3% and not 2%, and believes that taxes can simply be raised and the State will simply provide more funding. Contrary to Caprio, there is no authority to simply renegotiate the MOU between the State and the City.



The City does not seek to end union leave, rather, the evidence proves the Department would not experience its current staff shortages if union leave were reduced. The Fire Chief previously served as a Union representative and testified that the current union leave causes staffing shortages which has contributed to companies closing placing residents at risk. As he testified, it does not take twenty-four hours for union representatives to prepare and attend bargaining, there are no Saturday activities and Sunday activities are minimal. Only a couple of representatives are needed for county and state union meetings.

The Employer's proposal meets the §16g(2) factor, the comparison of the wages and terms and conditions of employment to other employees performing the same or similar services and with other employees generally. The similarly situated fire departments include Cherry Hill, Evesham, Atlantic City, and Mount Laurel. The Union mistakenly identifies as comparable Jersey City, North Hudson, Newark, and Bayonne, none of which are geographically or economically close to the City of Camden.

The Union references Newark, which is the closest geographically to the City at eighty-eight miles away, whereas Atlantic City is the farthest referenced by the City at fifty-eight miles. The City is the most distressed city municipality in the State; Atlantic City is the fifth, but Newark is sixteenth. Thus, the Union's referenced cities should be disregarded.

Even considering those cities cited by the Union, the City's proposal is comparable. Jersey City wages increased between 1.51-1.95% per year, with a maximum salary of \$116,287 after ten steps. North Hudson unit salaries increased 2.75% per with a top salary of \$102,192 in 2022. North Hudson had a maximum salary in 2022 of \$105,192 with an average salary increase

of 2.75%. Newark firefighters have a top salary of \$112,190.74, and Bayonne firefighters are getting a 2.5% wage increase this year.

The City's proposal is at the maximum or near the maximum in all "pertinent" categories. The City's proposal seeks to keep a higher status over all other comparable departments in the region, which includes Cherry Hill, Evesham, Atlantic City, and Mt. Laurel. However, the unit is already paid well above that of other fire departments in the region with a lesser step count, for example, the current salary guide at step 6 is \$98,685, which is higher than similar departments, so unit members make more money at the same step and contract year. Comparing these same departments, the current \$200 uniform allowance is comparable, as is educational leave, and City employees pay less for health insurance since the City left the State Health Benefits Program.

While the Union has patterned its proposed salary guide to match the Camden County Police Department, the Police Department is not comparable where the County is funded directly by the State, and the County and State have a different financial status than the City. The County negotiates the Camden Metro Police contract and determines the City's cost over which the City has no say. The Union has a history of parity between Camden police and fire, however, a review of their wages beginning 2015 belies this claim. Between the relatively lower police salaries compared to fire and similar police departments, there was a significant retention problem that had to be rectified when bargaining the current police contract, resulting in a higher salary increase. Retention is not an issue with firefighters.

The Union's comparison of the City and Paterson fire departments is inapposite. Camden is ranked first on the 2023 Municipal Distress Index, and Paterson is ranked ninth. Paterson is in a much better position because Camden's poverty rate is 14% higher, Camden's property values

are declining, Camden has a median income 40% less than Paterson; Camden's population has declined by 54%; Camden has a much higher crime rate. Camden does not have the factors to achieve fiscal recovery as does Paterson, and adopting the Union's proposal would hinder any recovery. Thus, Paterson should not be considered as a comparator, and the City's proposal will maintain parity with comparable departments in the region.

The City's proposal complies with its lawful authority and statutory restrictions. Camden is the only jurisdiction so distressed that it was taken over by the State in 1997 and was only permitted self-governance with DCA oversight in 2010. It is the most distressed city as noted, and only Camden and Atlantic City have the same level of statutorily mandated oversight. It has signed an MOU with the State to receive transitional aid, which with the oversight of DCA numerous financial items are subject to review and approval including collective bargaining agreements. 64% of the City's budget is funded by the State. This MOU is standardized and cannot be renegotiated by the City. Financial caps, including the tax levy and appropriations caps cannot be changed as they are implemented pursuant to statute. The goal of transitional aid is to incrementally leave the program in five years however, Camden's distress is so severe that it cannot. Its surplus of \$101M is one time revenue and should not be used for ongoing operations including the increases proposed by the Union.

The financial impact on the governing unit, residents and taxpayers supports the City's proposal.

## **ARBITRATOR'S FINDINGS/ANALYSIS**

### **A. MY AUTHORITY**

As a threshold matter, it is important to address the scope of my authority and ability to fashion an Award in light of the City's status as a first class city in receipt of transitional aid, with finances controlled *in toto* by the DCA. In Paterson and Fire Fighters Award, PERC Docket No. IA-2024-002 (2024), Arbitrator Licata's discussion, set forth below, well summarizes the interplay between the statute for municipal aid and the interest arbitration statute, the DCA and the interest arbitrator, the mode of my analysis, and any restraints to which I am subject:

The involvement of any other state agency in the resolution of such an impasse is not set forth in the interest arbitration laws. . . Indeed, the role of the DCA in connection with the instant interest arbitration proceeding presents a unique twist. Pursuant to N.J.S.A. 34:13A-16, the New Jersey legislature in 1979 bestowed upon interest arbitrators the exclusive jurisdiction to hear and decide police and fire negotiations impasses. However, in the context of both negotiations and interest arbitration, a non-party could have a bearing on the funding of an award. In this matter, the DCA is a non-party to this Interest Arbitration proceeding. . . Obviously, an interest arbitrator must be sensitive to the statutory oversight delegated to the DCA under the Special Municipal Aid Law to help a fiscally distressed municipality such as the City of Paterson.

However, the DCA does not have the statutory authorization to nullify an interest arbitration award under the Special Municipal Aid Act. So, the question becomes, does there exist conflict between the legislative schemes as applied to this dispute; if so, to what extent; and if so, can the conflict be resolved so that the legislative intent underlying each statutory enactment is harmonized to the extent possible?

Initially, notwithstanding the Special Municipal Aid Law, the legislature designated interest arbitrators to determine police and fire impasses, and it designated the DCA to help keep distressed municipalities

afloat. Construing the legislative interests at stake for lack of a better phrase, the DCA resides in the public interest/financial criteria of the interest arbitration statute. The DCA's efforts shaped the overall financial picture which the City presents to the undersigned arbitrator in this proceeding. Since the arbitrator cannot direct the DCA to fund an award, the arbitrator's focus must be to apply the financial//public interest criteria to the parties competing salary proposals just as he would in any other interest arbitration proceeding where dedicated state aid is provided. Thus, while the DCA helps shape the financial picture presented by the City to the arbitrator, the arbitrator is charged with applying all the 16g criteria to resolve the parties impasse. To that extent, there may be no conflict.

Thus my charge, as in any interest arbitration proceeding, is to carefully review and assess the statutory factors with full transparency to the parties. The financial/public interest criteria is key in light of the City's status; I cannot simply award salary increases but must consider the sources of funding and totals. However, contrary to the City's assertion, I am not limited to what DCA has chosen to view with favor or disfavor; there are eight other statutory bases that must also be considered.

The City has also raised the 3% levy cap as a limitation in considering economic proposals pursuant to the 2010 Local Unit levy cap. Fire Department salaries are but a single item and one part of the entire City budget, so that cap should not preclude reasonable wage increases in collective negotiated agreements. That said I am mindful of my responsibility and obligation to be a wise financial steward of the City and its residents.

## **B. DURATION**

The threshold issue is duration. The Union has proposed a four year term, January 1, 2025- December 31, 2028. The City seeks a five year contract, from 2025 to 2029, claiming this is an appropriate length because the firefighters received a step movement in 2025 and the

parties are well into the 2025 contract year. The past two contracts had a duration of four years (2017-2020; 2021-2024), the immediately prior contract had a duration of three years (2014-2016). The fact that the parties are almost four months past the December 31, 2014 expiration is not sufficiently persuasive to impose a five year contract where the past three contracts did not exceed four years CNAs. The nature of public sector bargaining and the interest arbitration process often lead to issuance of interest awards well after contracts have expired, and during the pendency of negotiations for a successor agreement, without resulting in a change in duration. I therefore rule that the duration of the contract shall be January 1, 2025-December 31, 2028.

### **C. WAGES**

Neither party has proposed common percentage changes across all steps in the salary guide. The Employer has proposed that the Academy rate increase from \$34,674 to \$47,302 for 2025 and 2026, and to \$49,000 in 2027 and 2028. The salary guide for 2025 and 2026 for steps 1-4 remain unchanged from 2024. It proposes that in 2027 step 2 decreases slightly, from \$63,245 to \$63,000 and remain the same for 2028.<sup>1</sup> The guide includes new step 2.1 between steps 2 and 3, which is \$70k for 2027 and 2028. In 2027 step 4 decreases from \$79,203 to \$78,000, and remains the same for 2028. In 2027 the Employer adds steps 4.1 (\$82,000), step 4.2 (\$85,500), and step 4.3 (\$89,000).<sup>2</sup> The Employer proposes keeping step 5 unchanged in

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<sup>1</sup> Having decided on a four year duration, I shall only consider proposals through the end of 2028.

<sup>2</sup> The Employer's salary guide has no entry for step 4.4 in 2027 and 2028, containing only a blank with the only step 4.4 added in 2029, a function of its proposed freeze. Accordingly, the City's proposal will be treated as steps 4.1-4.3 in annual increments to step 5 for years 2027 and 2028.

2025 at \$91,553, which increases to \$93,842 in 2026, to \$96,188 in 2027 and decreases to \$96,000 in 2028. Step 6 at \$98,675, which requires eighteen years to achieve, is unchanged in 2025, increases to \$101,142 in 2026, decreases to \$99,500 in 2027 and 2028. The proposal adds step 7 in 2027 at \$103,000, and in 2028 adds step 8 at \$106,500.

The City's salary guide proposes that current fire prevention specialists be frozen in 2025 at the current rate of \$109,418, and then grandfathered with increases in 2026 (\$112,143), 2027 (\$114,947) and 2028 (\$117,821). The salary guide creates a new flat pay rate for future fire prevention specialists, with a rate of \$100,228 in 2025 and increases in 2026 (\$101,142), 2027 (\$103,000) and 2028 (\$106,500).

Article XXXVI of the contract contains a longevity payment that ranges for firefighters from \$2,265 for employees with ten years of service through \$8,949 beginning the twenty-fourth year. Longevity payments for fire prevention specialists ranges from \$2603 at the tenth year to \$9,923 beginning the twenty fourth year. The City proposes freezing longevity payments at current levels regardless of years of service. (C-24 Fire Union 788 Census March 1, 2024.)

The City has proposed that annual raises are received January 1. The following notes are contained in the City's Proposal (C23, pg. 4):

- Static Guide over 5 years;
- 2026 - same guide as 2025 - those on the guide (steps 1-4) are frozen at that step - 2.5% COLA for those at top (steps 5 and 6)
- 2027 - Add Bubble Steps (2.1, 4.1, 4.2, and 4.3) - Add progression steps over the top (steps 7, 8 and 9)
- 2027 - Slight modification to all steps on the guide, to create logical progression

- 2027 - Those on step 6 move to step 7 - those on step 5 stay on step 5 (2.5% COLA for step 5)
- 2028 - same guide as 2027 - Those on step 5 progress to step 6 - all other steps have normal progression

As noted members are currently moving across the guide in 2025 on their anniversary date pursuant to the expired contract. The City has proposed a freeze across the guide in 2026 with no movement. (C-24 Fire Union 788 Census March 1, 2024.)

The Union has agreed to the City's static guide but with step changes. Specifically, the Union's proposed salary guide contains a column appearing after the 2025 wage column entitled "Old/New Steps." According to this column step 5 becomes step 4.1, step 6 becomes step 4.2, step 7 becomes step 4.3, step 8 becomes step 5, step 9 becomes step 6, step 10 becomes step 7, and step 11 becomes step 8. This adds a total of five new steps to the guide. Unlike the City's proposal, the Union proposes eliminating the eighteen year waiting period before moving to what was step 6.

The Union has proposed that during the contract step movements take place on July 1 and at contract expiration step movement on anniversary date be restored; all step movements that have already taken place in 2025 remain; each step corresponds to year of service less one year accounting for the initial training step. Pursuant to the proposal fire prevention specialists maintain the existing differential within their step guide, and top step FPS maintain the existing percentage differential between the top step firefighters.

In costing and comparing the parties' proposals, it is important to start with a common base salary. The Union asserts that the amount per its final cost out is \$12,455,974 (Union Exhibit F (U-F)). This is derived from the scattergram that shows one hundred and forty (140)



members in the unit. The Union then subtracts out breakage comprised of the loss of nineteen unit members for costing its proposals beginning in 2025, while retaining the \$12.455M base in its calculations. The City shows an amount of \$12,083,613 for that period with the same unit as contained in the C-24 Fire Union 788 Census March 1, 2024. It utilizes a base of \$10,208,627 that reflects the unit size of one hundred and twenty members (C-23 at 5).

I have concluded that the appropriate base is \$10,208,627. While it is agreed that breakage is a consideration, the Union cannot have it both ways by using the higher number as the base but using the smaller complement for costing purposes thereafter. This creates artificial results by showing massive drops when in fact there are none. Adding dollars does not result in negative results. The cited cases and the statute does not authorize such a combination.

The financial situation of Camden as the most distressed city in the State is unchanged. While grim there has been no significant change in its finances warranting freezes, nor has there been improvement warranting significant increases. Thus as the attached salary guide will show, this will be an incremental four year contract that largely maintains the status quo. Accordingly the amount of longevity continues unchanged from the expired contract and is not frozen. It will not be rolled into base salary since that increases all wage related premiums and significantly increases pension costs. There is also no rationale for freezing those steps 1-4 on the guide in 2026. The eighteen year requirement for firefighters to move to step 6 and fire prevention specialist to step 5 remains.

The City seeks to grandfather existing fire prevention specialists at a single rate, rather than the current five steps, and create a lower rate for future fire prevention specialists. With only four members in that classification the budgetary impact is nil. Such changes are best made

through the give and take of negotiations, not through the interest arbitration process. This proposal is therefore rejected.

As the parties have observed, step movements are underway in 2025. There is no reason that they be disturbed for the remainder of the year so shall continue unchanged. The City has offered to move step increases to January 1 for the upcoming year rather than anniversary dates thereafter in the same year. However, this proposal was made in conjunction with its proposal for a static guide and a wage freeze in 2026. Since these items are not in my Award moving the anniversary date would be unnecessary and an added expense, so is not awarded. I also chose not to adopt the July 1 implementation date for salary increases because at the end of the contract the rates will be the same regardless of implementation dates so there is no long term advantage rationale.

A goal of the Union is to maintain what it claims is long term parity with Camden Police. Without factoring longevity pay, a comparison of the contracts between the firefighters and police makes it difficult to establish such parity where, for example, the police contract in 2015 had significantly more steps and it took firefighters a shorter period to reach a significantly higher salary. In 2021 the number of steps were shortened in the police contract but salaries in the firefighter contract, especially at the top end of the steps are more than \$10k higher for firefighters and the fire prevention specialist are more than \$20k higher. The police contract shows significant increases from 2023 to 2024, and to the end of the contract in 2024. However this does not show a historical pattern between police and fire. While the City did not bargain that contract, and the County is not subject to the restrictions found in the DCA-City MOU, the

City has established retention as an objective basis for those increases not present in the firefighter unit, where most of the diminution of the fire unit is due to retirement and promotion.

I am satisfied that Camden compares appropriately to similar fire departments in the region and state. While the Union points out that the City is 42<sup>nd</sup> out of sixty two employers with more than two dozen firefighters, I find the City's comparators, including Mt. Laurel, Cherry Hill, Evesham Township and Atlantic City more apt where they are located closer geographically. Each of those jurisdictions has average wages lower than Camden other than Atlantic City, which does not hold the distinction of being the most distressed city in the State. Also, Camden firefighters reach higher salaries with lower steps than other regional comparators.

With regards to the appropriate salary, I first note the recent pattern of agreements in the record<sup>3</sup> commencing with the 2014-2016 CNA, which contained three years raises of 1.0%, 1.025%, and 1.025% for both classifications and across all steps. The 2017-2020 agreement had increases of 1.5% in years 1 and 2, and 1.0% in years 3 and 4. Calculating the most recent expired contract from 2021-2024, firefighters and fire prevention specialists at steps 1-4 received four annual increases of 1.5% each year. Firefighters at the top steps 5 (reached the fifth year) and 6 (reached when entering the 18<sup>th</sup> year in PFRS), and fire prevention specialists at the top step 5 (also when entering the 18<sup>th</sup> year in PFRS) received raises of 2.25% annually broken in six months increments. A consideration is also the headcount aging table showing that by the end of 2028 most of the unit will be in step 5 and 6 for firefighters, who comprise the bulk of the unit.

The new salary guide is as follows:

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<sup>3</sup> The Weisblatt Award, covering a duration from 2009-2013, shows monetary increases rather than percentages and the annual percentages cannot be determined on the basis of the instant record, though the Weisblatt Award does include zero (no) dollar increase for 2013. U-BB.

Effective Date	Step	1/1/25	1/1/26	1/1/27	1/1/28
Firefighter	Starting	47,302	47,302	49,000	49,000
	STEP 1	55,975	56,675	57,383	58,100
	STEP 2	64,045	64,845	65,656	66,476
	STEP 3	72,120	73,022	73,935	74,859
	STEP 4	80,193	81,195	82,210	83,238
	STEP 5	93,850	96,196	98,601	101,066
	STEP 6	101,152	103,680	106,272	108,929
Fire Prevention Specialists					
	STEP 1	76,488	77,444	78,412	79,393
	STEP 2	84,562	85,619	86,689	87,773
	STEP 3	92,639	93,797	94,969	96,156
	STEP 4	101,490	102,759	104,043	105,344
	STEP 5	112,153	114,957	117,831	120,777

The salary guide provides annual increases of 1.25% for Firefighters and Prevention Specialists steps 1-4, and 2.5% annually for Firefighters steps 5-6 and Fire Prevention Specialists step 5. With this guide the base wage increases from \$10,208,627 in 2024 (factoring in the reduction in unit size) to \$10,91,637 in 2025 for an increase of 7.1%; to \$11,544,706 in 2026 for an increase of 5.5%; to \$12,267,206 in 2027 for 6.2%, and to \$12,677,796 in 2028 for 3.3%. This totals 22.1%, for a simple average of 5.525% yearly. This compares with the prior contract which over four years averaged 5.0% annually. This salary guide reflects the parties' proposals directing more money to the top steps, while showing the recent history of the parties in granting raises slightly in excess of 1% to the lower steps of the guide. It will also enable the unit to overcome some of the deleterious effects of inflation, which has peaked and is no longer as significant a concern.

#### **D. THE STATUTORY FACTORS ARE MET WITH THE WAGE AWARD**

I find that my Award meets the criteria contained in NJSA 34:13A-16(g).

The first factor, N.J.S.A. 34:13A-16(g)(1), requires the interest arbitrator consider the “interests and welfare of the public.” I find this Award meets that criteria where it is affordable by the City, since it can be funded via the revenue surplus fund including interest on that fund. The Award is not overly generous at an average of 5.5% annually and need not result in higher taxes or borrowing. The salary grant maintains morale of the unit by providing salary increases that balance the City’s status as distressed while comparing favorably to increases provided in other regional contracts.

Criteria §16(g)(2)(a)-(c) compares the wages, salaries, hours, overall compensation, and conditions of employment of the unit employees involved in these proceedings with other employees performing the same or similar services and with other employees generally in private and public employment supports this Award. While the salaries of unit employees are not the highest compared to other comparable fire departments in the City and State, it is in line with raises and salaries received by other units covering similar time periods.

This Award is not disruptive of the overall compensation received by the Unit, including wages, salary, and all economic benefits received. It conforms with past agreements within the meaning of §16(g)(3). §16(g)(3) takes into account overall compensation, including vacation, holiday, excused leave, insurance, pension, medical, hospitalization, and all economic benefits of the relevant unit. This Award does not impact this criteria where the unit was removed from the State Health Benefits Plan into a plan with lower costs, but the same plan design. None of the other listed items are impacted by this Award.

There were no stipulations by the parties within the meaning of §16(g)(4).

§(16)(g)(5) considers the lawful authority of the employer to implement the Award in light of its financial impact. §(16)(g)(6) considers the financial impact of the interest arbitration award on the municipality, residents, and taxpayers; property tax limitations; and the ability of the jurisdiction to keep and expand local programs and services for which monies have been provided in the budget. The Award will have a negligible impact on City finances and surplus with a \$230M budget.

Cost of living must be considered by the Interest Arbitrator in accordance with §16(g)(7). Frankly, this is the one criteria that gives pause considering the high inflation that took place over the prior contract. That said inflation has receded and the new salary guide will, over time, be restorative.

§16(g)(8) addresses the continuity and stability of employment, which considers the likelihood of layoffs, “give-backs,” salary freezes, overall salary structure, the unemployment rate, turnover, and the lack of unemployment among police. This Award should not implicate any of those concerns where it continues a pattern that has resulted in no layoffs and low turnover, other than for promotions and retirements.

The final criteria, the statutory restrictions on the employer, is not implicated here because the Award is compliant with applicable statute, does not implicate restrictions imposed by the DCA-Camden MOU, and since it need not result in higher taxes, there are no such concerns. See §16(g)(9).

## **OTHER ECONOMIC PROPOSALS**

### **A. UNION PROPOSALS**

#### **1. Health Benefit contribution (active and retired)**

- a. Reduce contribution to tier 3
- b. Cap any future increases at 2024 rate
- c. Retiree rate capped at 1.5%

**Award:**

Chapter 78 relief of this type would be extremely expensive, and the City cannot afford any further expenditures stemming from this Award. No other unit of City workers have such caps, and therefore it should not be granted here.

- 2. **Union Leave** Restore Union Leave Time Clause which existed in prior collective agreement

**Award:**

It is unclear as to the specifics of the Union proposal, so it is denied.

- 3. **Overtime** - Any involuntary hold over or call in will be paid at overtime rate.

**Award:**

The City cannot afford any further expenditures stemming from this Award. It is unclear as to the nature of the proposal, so it is denied.

- 4. **Prior Settlements** - Incorporate the terms of the Union Leave, Vacation and the Holiday scheduling settlements

**Award:**

In the absence of the settlements in the record, this proposal is denied.

- 5. **Holidays** - Memorialize existing Juneteenth holiday

**Award:**

Testimony established that the Governor of the State of New Jersey made Juneteenth an official State holiday, and it has been so followed by the City. Accordingly, nothing further by the Undersigned need be done.

**B. EMPLOYER PROPOSALS**

**1. New Article – Management Rights**

**Section 1.** The City of Camden hereby retains and reserves unto itself, without limitation, all powers, rights, authority, duties, and responsibilities conferred upon and vested in it prior to the signing of this agreement by the Law and Constitution of the State of New Jersey and of the United States, including, but without limiting the generality of foregoing, the following rights:

(a) The executive management and administrative control of the City government and its properties and facilities, and activities of its employees by utilizing personnel, methods, and means of the most appropriate and efficient manner possible, as may from time to time be determined by the City.

(b) To make rules of procedure and conduct, to use improved methods and equipment, to determine work schedules and shifts, to decide the number of employees needed for any particular time, and to be in sole charge of the quality and quantity of the work required.

(c) The right of management to make, maintain and amend such reasonable rules and regulations as it may from time to time to deem best for the purposes of maintaining order, safety, and/or the effective operation of the Department after advance notice thereof to the employees to require compliance by the employees is recognized.

(d) To hire all employees and, subject to the provisions of law, to determine their qualifications and conditions of continued employment or assignment, and to promote and transfer employees.

(e) To suspend, demote, discharge, or take any other appropriate disciplinary action against any employee for good and just cause according to law.



(f) To lay off employees in the event of lack of work or funds or under conditions where continuation of such work would be ineffective or nonproductive.

(g) The City reserves the right, with no regard to all other conditions of employment, not reserved, to make such changes as it deems desirable and necessary for the efficient and effective operation of the Department.

**Section 2.** In the exercise of the foregoing powers, rights, authority, duties, and responsibilities of the City, the adoption of policies, rules, regulations, and practices, and the furtherance thereof, and the use of judgment and discretion in connection therewith shall be limited only to the specific and express terms hereof are in conformance with the Constitutions and Laws of New Jersey and of the United States.

**Section 3.** Nothing contained herein shall be construed to deny or restrict the City of its rights, responsibilities, and authority under R.S. 40A, or any other national, state, county, or local laws or regulations.

**Award:**

The City has not established that there is an issue with its exercise of management rights.

Accordingly, this proposal is denied.

2. **Article III – Union Representation and Membership** – Section 1 – reduce number of representatives that can be excused at one time from four (4) to three (3).
  - a. Section 3 – Revise section to permit one 12-hour shift for each negotiation session.
  - b. Section 4 – Revise section to limit paid union leave to weekdays.
  - c. Section 5 – Reduce the authorized representatives from four (4) to two (2) for County or State Union meetings.
  - d. Section 6 – Delete (refers to employee with position for City, County or State Union).

**Award:**

The City maintains that the current union leave policies have resulted in the shutdown of companies. While a serious concern testimony establishes that companies have shut down as a result of the combination of other leaves and are therefore not solely attributable to union leave. The temporary reduction of the unit from one hundred and forty (140) to one hundred and twenty (120) members is also a factor which with the higher training salary should be rectified over time. Union leave on weekends may be necessitated if someone is injured or for other matters. A day for bargaining (twenty four hours) is not unreasonable, nor are four people to attend county and state union programs. This is also a matter best addressed through collective bargaining, not interest arbitration. Accordingly this proposal is denied.

**3. Article IV – Retirement** – Revise the Article as follows

- a. Eliminate Section 2 (terminal leave from 1996).
- b. Section 5 and Section 6 – Cap all leave payments at retirement at \$15,000.
- c. Delete Section 10 (leave payouts for vacation earned by 1996)

**Award:**

It appears that proposals a. and c. are “clean up” but in the absence of testimony and relevant exhibits, I am unable to so ascertain, and leave it to the parties in their

preparation of a new contract. Proposal b., capping leave payments, is denied where it is not established that this is a significant financial concern for the City.

**Article IX – Work Week** – Revise Article to include current work schedules

**Award:**

Denied, current work schedules have not been raised as an issue during the hearing, and current work schedules are not in the record.

4. **Article X – Sick Leave** – New Section- FMLA shall run concurrent to all eligible paid leaves

**Award:**

Denied. No record testimony or exhibits denote this as an issue.

5. **Article XI – Injury on Duty Leave-** Section 3 – Delete (eliminates the accrual of paid leave during injury leave)

**Award:**

Denied. No record testimony or exhibits denote this as an issue.

6. **Article XIV – Grievance Procedures-** Section 3 STEP FOUR – revise section to split the costs of arbitration between the parties.

**Award:**

Denied. No record testimony or exhibits denote this as an issue.

7. **Article XV – Funeral Leave** – New Section- all funeral leave shall begin on the date of the relative's death

**Award:**

Denied. No record testimony or exhibits denote this as an issue.

8. **XXII Overtime** – Revise Article as follows

- a. Delete Section 1 (OT for all hours outside scheduled hours)
- b. Delete Section 6 (union officers and OT list)

**Award:**

Denied. No record testimony or exhibits denote this as an issue.

9. **Article XXXI – Holidays**

- a. Section 1 – Reduce the number of holidays from 14 to 13 (eliminating Good Friday)
- b. Section 2 – Eliminate holidays declared by Governor or President

**Award:**

Denied. No record testimony or exhibits denote this as an issue. As noted the City has complied with the Governor's Order so is not an issue.

## **DETAILED SUMMARY OF THE AWARD**

Pursuant to the Discussion set forth above, the Contract shall be amended as follows. All proposals by the City and Union 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 the Award.

1. Term of Agreement: January 1, 2025, to December 31, 2028
2. Salary Increases:
  - a. Effective first pay period following January 1, 2025, increase of starting rate to \$47,302.
  - b. Effective first pay period following January 1, 2025, 1.25% for firefighters steps 1-4, and fire prevention specialists steps 1-4; 2.5% for firefighters steps 5 and 6 and fire prevention specialists step 6.
  - c. Effective first pay period following January 1, 2026, 1.25% for firefighters steps 1-4, and fire prevention specialists steps 1-4; 2.5% for firefighters steps 5 and 6 and fire prevention specialists step 6.
  - d. Effective first pay period following January 1, 2027, increase of starting rate to \$49,000.
  - e. Effective first pay period following January 1, 2027, 1.25% for firefighters steps 1-4, and fire prevention specialists steps 1-4; 2.5% for firefighters steps 5 and 6 and fire prevention specialists step 6.
  - f. Effective first pay period following January 1, 2028, 1.25% for firefighters steps 1-4, and fire prevention specialists steps 1-4; 2.5% for firefighters steps 5 and 6 and fire prevention specialists step 6.

## **• CERTIFICATION**

**I hereby certify that I have given due weight to the statutory criteria set forth in N.J.S.A. 34:13A-16(g) and I conclude the terms of this Award represent a reasonable**

determination of the issues.

Dated: April 21, 2025  
Morristown New Jersey

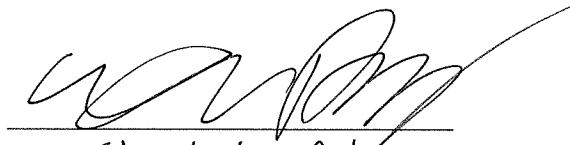


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Dean L. Burrell  
Arbitrator

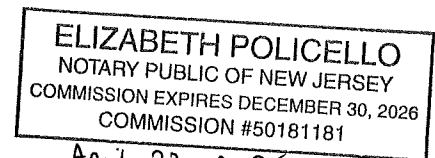
State of New Jersey       )  
County of Morris        )

On this 22 day of April 2025, before me personally came and appeared Dean L. Burrell to me known and known to be the individual described in and who executed the foregoing instrument and he acknowledged to me that he executed the same.

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Elizabeth Policello



April 22 2025