

NEW JERSEY PUBLIC EMPLOYMENT RELATIONS COMMISSION

In the Matter of Interest Arbitration Between

HUDSON COUNTY SHERIFF'S OFFICE

"Public Employer"

-and-

PBA LOCAL NO. 334

"Union."

**INTEREST ARBITRATION
DECISION
AND
AWARD**

Docket No. IA-99-75

**Before
James W. Mastriani
Arbitrator**

Appearances:

For the Employer:

Sean D. Dias, Esq.
Scarinci & Hollenbeck, LLC

For the Union:

Bruce D. Leder, Esq.
Schneider, Goldberger, Cohen,
Finn, Solomon, Leder & Montalbano, P.C.

I was appointed arbitrator by the New Jersey Public Employment Relations Commission on March 12, 1999 in accordance with P.L. 1995, c. 425, in this matter involving the Hudson County Sheriff's Office [the "Employer" or "County"] and PBA, Local 334 [the "PBA"]. Several pre-arbitration mediation sessions were held which narrowed the issues but did not resolve the dispute. Because the impasse was not resolved, formal interest arbitration hearings were held on October 5, and December 13, 1999 and February 4, 2000 at which time the parties examined witnesses and introduced evidence. Witnesses testifying at the hearing included former Sheriff's Officer John Oliveira, former Sheriff's Officer Dominic Colabraro, consumer credit and financial advisor David Masten, Captain Joseph Openshaw, Lieutenant Michael Gerloff, Sheriff's Officer Raul Velez, Sheriff's Officer Zulma Cabrera, Sheriff Joseph Cassidy, Joseph Bonner, PBA President William Schulz, John Karras, and ... Post-hearing briefs were submitted by June 23, 2000.

FINAL OFFERS OF THE PARTIES

The County and the PBA submitted the following final offers:

PBA LOCAL 334

Economic Issues

1. Duration -- January 1, 1999 to December 31, 2002.

2. Salary -- The PBA proposes the following salary guide:

1998	1999	2000	2001	2002
\$45,826	\$47,201	\$48,617	\$50,076	\$50,076
\$43,788	\$45,352	\$46,963	\$48,622	\$50,076
\$40,094	\$41,797	\$43,551	\$45,358	\$46,718
	\$35,000	\$38,500	\$42,000	\$43,811
\$25,269	\$29,000	\$35,000	\$38,500	\$42,000
\$24,207				
\$23,860	\$26,500	\$29,000	\$35,000	\$38,500
\$23,214				
\$21,823	\$23,000	\$26,500	\$29,000	\$35,000
\$20,784				

The PBA proposes that the following salary guide be effective December 31, 2002 with automatic step increases:

\$50,076	8 th year anniversary from completion of Academy.
\$46,718	7 th year anniversary from completion of Academy.
\$43,811	6 th year anniversary from completion of Academy.
\$42,000	5 th year anniversary from completion of Academy.
\$38,500	4 th year anniversary from completion of Academy.
\$35,000	3 rd year anniversary from completion of Academy.
\$31,500	2 ^d year anniversary from completion of Academy.
\$28,000	1 st year anniversary from completion of Academy.
\$24,000	Completion of Academy
\$21,000	Pre-Completion of Academy

3. Retroactive Pay

The PBA proposes to delete paragraph C of Article II which provides:

The retroactive effect of the economic benefits of this Agreement, which result from the Interest Arbitration Opinion and Award of Arbitrator Robert E. Light (dated January 24, 1997) shall apply only to those employees on the payroll as of the effective date of that Award (January 24, 1997), as well as to those who resigned in good standing, retired or were on medical leave of absence from January 1, 1994 to the effective date of that Award (January 24, 1997). Persons who were terminated for cause or who resigned not in good standing between January 1, 1994 and the effective date of that Award (January 24, 1997) shall not be entitled to benefits hereunder. The parties agree that in any future collective

negotiations agreement they may conclude, through interest arbitration or otherwise, any employee who voluntarily resigns from employment with the Employer prior to conclusion of the agreement, regardless of whether such resignation is or not in good standing, shall be excluded from any retroactive benefits.

The PBA proposes to replace paragraph C of Article II with the following language:

The retroactive effect of the economic benefits of this agreement which will result from the interest arbitration by Arbitrator James Mastriani shall apply to all employees who were on the payroll during the term of the contract established by the Arbitrator. Employees who left employment between January 1, 1999 and the date the collective bargaining agreement is executed, will be entitled to the retroactive effect of all economic benefits of the agreement.

4. Direct Deposit

The PBA proposes that, "the County shall provide for the direct deposit of their paychecks for those Sheriff's Officers who desire same."

5. Work Schedule

The PBA proposes that, "Sheriff's Officers assigned to the Patrol Bureau shall work a 5-2, 5-3 work schedule."

6. Personal Days

The PBA proposes that, "all Sheriff's Officers shall be entitled to an additional two (2) personal days per year for a total of four (4) personal days per year."

7. Certification -- The PBA proposes that, "any Sheriff's Officer having a commercial driver's license, possessing an EMT license, possessing a Methods of Instruction Certification and/or an Accident Reconstruction Certificate will be entitled to an additional \$1,200 stipend which shall be added to base pay."

8. Sick Leave Bonus

The PBA proposes that "all Sheriff's Officers shall be entitled annually to the following bonus:

<u>Sick Leave Days Used</u>	<u>Bonus</u>
0	\$500
1-2	\$300
3-4	\$100

The sick leave bonus shall be payable in the first paycheck in January based upon the preceding twelve months.

9. Clothing Allowance

The PBA proposes that "all Sheriff Officers shall have an increase in their clothing allowance of \$100 for each year of the four-year agreement.

In the event that the employer decides to change uniforms, the employer shall pay for the cost of such new uniforms.

The clothing allowance shall be paid twice a year. The one -half shall be paid in the first pay check after January 1 and the second half shall be paid in the first pay check after July 1."

10. Educational Incentive

The PBA proposes that "Sheriff's Officers shall receive annual compensation for the completion of college courses. The compensation schedule shall be equivalent to the Rutgers rate per credit earned. Sheriff's Officer shall be entitled to the following compensation which shall be added to the base pay upon attaining of the following degrees:

Associate Degree	\$750
Bachelor's Degree	\$1,500
Post Graduate Degree	\$2,000

11. Time Off for PBA Official Business

The PBA proposes the following:

The PBA President shall be assigned to a day tour and to a duty assigned that will be reasonably accessible to bargaining unit members. In addition, the PBA President or his designee shall be entitled to 100 full shifts off to attend to union business. The County and the Sheriff agree to provide an office for the exclusive use of the PBA.

Hudson County Sheriff's Office

Economic Issues:

1. Duration -- January 1, 1999 to December 31, 2003.

2. Salary

1999

LEVEL	NEW BASE 1/1/99	AMT. OF INCR. 1/1/99	ACT % 1/1/99	CURRENT # OF EMPLOYEES	TOTAL SALARY COST
				27	\$0
1	\$20,784	\$0	0.00	36	\$636,363
2	\$23,569	\$2,785	13.40	7	\$848,484
2	\$23,569	\$1,746	8.00	1	\$175,497
3	\$25,071	\$1,857	8.00	12	\$25,071
3	\$25,071	\$1,542	6.55	9	\$300,852
3	\$25,071	\$1,211	5.08	12	\$233,109
4	\$25,901	\$1,694	7.00	0	\$318,384
5	\$26,532	\$1,303	5.16	9	\$0
5	\$26,532	\$1,303	5.16	9	\$238,788
5	\$26,532	\$1,263	5.00	28	\$306,090
6	\$34,010	\$1,308	4.00	2	\$1,156,316
7	\$41,297	\$1,203	3.00	5	\$90,204
8	\$45,102	\$1,314	3.00	0	\$236,005
9	\$47,201	\$1,375	3.00	0	\$0
9	\$47,201	\$1,375	3.00		

2000

LEVEL	NEW BASE 1/1/00	AMT. OF INCR. 1/1/00	ACT % 1/1/00	CURRENT # OF EMPLOYEES	TOTAL SALARY COST
				0	\$0
1	\$20,784	\$0	0.00	0	\$0
2	\$24,000	\$3,216	15.47	27	\$687,258
3	\$25,454	\$1,885	8.00	36	\$916,344
3	\$25,454	\$1,885	8.00	7	\$189,539
4	\$27,077	\$2,006	8.00	1	\$27,077
4	\$27,077	\$2,006	8.00	12	\$324,924
4	\$27,077	\$2,006	8.00	9	\$249,426
5	\$27,714	\$1,813	7.00	12	\$337,488
6	\$28,124	\$1,592	6.00	0	\$0
6	\$28,124	\$1,592	6.00	9	\$360,000
7	\$40,000	\$13,468	50.76	9	\$360,000
7	\$40,000	\$5,990	17.61	28	\$1,919,008
8	\$42,536	\$1,239	3.00	2	\$92,910
9	\$46,455	\$1,353	3.00	5	\$243,085
10	\$48,617	\$1,416	3.00	0	\$0
10	\$48,617	\$1,416	3.00		

2001

LEVEL	NEW BASE 1/1/01	AMT. OF INCR. 1/1/01	ACT % 1/1/01	CURRENT # OF EMPLOYEES	TOTAL SALARY COST
1	\$20,784	\$0	0.00	0	\$0
2	\$25,000	\$4,216	20.28	0	\$0
3	\$26,000	\$2,000	8.33	0	\$0
4	\$27,490	\$2,036	8.00	27	\$742,230
4	\$27,490	\$2,036	8.00	36	\$989,640
5	\$28,972	\$1,895	7.00	7	\$202,804
5	\$28,972	\$1,895	7.00	1	\$28,972
5	\$28,972	\$1,895	7.00	12	\$347,664
6	\$29,811	\$2,097	7.57	9	\$268,299
6	\$29,811	\$1,687	6.00	1	\$29,811
7	\$41,200	\$13,076	46.49	11	\$453,200
7	\$41,200	\$1,200	3.00	9	\$370,800
7	\$41,200	\$1,200	3.00	9	\$370,800
8	\$43,812	\$1,276	3.00	28	\$1,226,736
9	\$47,819	\$1,364	2.94	2	\$95,638
10	\$50,075	\$1,458	3.00	5	\$250,375
10	\$50,075	\$1,458	3.00	0	\$0

2002

LEVEL	NEW BASE 1/1/02	AMT. OF INCR. 1/1/02	ACT % 1/1/02	CURRENT # OF EMPLOYEES	TOTAL SALARY COST
1	\$20,784	\$0	0.00	0	\$0
2	\$25,500	\$4,716	22.69	0	\$0
3	\$27,000	\$2,000	8.00	0	\$0
4	\$28,080	\$2,080	8.00	0	\$0
5	\$26,689	\$2,199	8.00	27	\$801,603
5	\$26,689	\$2,199	8.00	36	\$1,068,804
6	\$30,710	\$1,738	6.00	7	\$214,970
6	\$30,710	\$1,738	6.00	1	\$30,710
6	\$30,710	\$1,738	6.00	12	\$368,520
7	\$31,600	\$1,789	6.00	9	\$284,400
8	\$42,436	\$12,625	42.35	1	\$42,436
8	\$42,436	\$1,236	3.00	11	\$466,796
8	\$42,436	\$1,236	3.00	9	\$381,924
8	\$42,436	\$1,236	3.00	9	\$381,924
10	\$45,126	\$1,314	3.00	28	\$1,263,528
11	\$49,284	\$1,465	3.06	2	\$98,568
12	\$51,577	\$1,502	3.00	5	\$257,885
12	\$51,577	\$1,502	3.00	0	\$0

2003

LEVEL	NEW BASE 1/1/03	AMT. OF INCR. 1/1/03	ACT % 1/1/03	CURRENT # OF EMPLOYEES	TOTAL SALARY COST
1	\$20,784	\$0	0.00	0	\$0
2	\$27,053	\$6,269	30.16	0	\$0
3	\$28,000	\$2,500	9.80	0	\$0
4	\$28,980	\$1,980	7.33	0	\$0
5	\$30,019	\$1,939	6.91	0	\$0
6	\$31,070	\$1,381	4.65	27	\$838,890
6	\$31,070	\$1,381	4.65	36	\$1,118,520
7	\$32,157	\$1,447	4.71	7	\$225,099
7	\$32,157	\$1,447	4.71	1	\$32,157
7	\$32,157	\$1,447	4.71	12	\$385,884
8	\$33,283	\$1,683	5.33	9	\$299,547
9	\$43,709	\$1,273	3.00	1	\$43,709
9	\$43,709	\$1,273	3.00	11	\$480,799
9	\$43,709	\$1,273	3.00	9	\$393,381
9	\$43,709	\$1,273	3.00	9	\$393,381
10	\$46,480	\$1,354	3.00	28	\$1,301,440
11	\$50,763	\$1,479	3.00	2	\$101,526
12	\$53,125	\$1,548	3.00	5	\$265,625
12	\$53,125	\$1,548	3.00	0	\$0

The County also proposes the following:

It is understood and agreed that upon the expiration of this Agreement, i.e. December 31, 2003, Employees shall remain at the salaries they are then receiving, and shall be entitled to no further salary increment, increase or adjustment pending the negotiation of a successor agreement.

Non-Economic Issues:

1. Direct Deposit

The County proposes to add a new subsection E to Article II as follows:

The County will establish a system for the direct deposit of employee checks. When Direct Deposit is established, the current system of providing for the early release of paychecks and the advancement of vacation checks shall be discontinued for all employees.

2. Work Hours (Article VI)

The County proposes to amend Article VI to provide:

The work week shall be from 0001 hours Monday through 2400 hours Sunday. All bargaining unit members who are on a rotating schedule/non-staff schedule shall work a 5-2-5-3 schedule and receive a compensation day in lieu of overtime when working a holiday on a regular scheduled workday.

3. Fully Bargained Clause

The County proposes to add a new article that would provide as follows:

This Agreement represents and incorporates the complete and final understanding and settlement by the parties of the bargainable issues that were or could have been the subject of negotiations. Any past practice not expressly included in this collective bargaining agreement shall be null and void. During the terms of this Agreement, neither party will be required to negotiate with respect to any such matter whether or not covered by this Agreement, and whether or not within the knowledge or contemplation of either or both of the parties at the time they negotiated or signed this Agreement. This Agreement shall not be modified in whole or in part by the parties except by an instrument in writing executed by both parties.

The County and the PBA have offered testimony and considerable documentary evidence in support of their final offers. Numerous County and PBA exhibits were received in evidence. 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. I am also required to indicate which of these factors are deemed relevant, satisfactorily explain why the others are not relevant, and provide an analysis of the evidence on each relevant factor. 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.

BACKGROUND

Hudson County, with a population of 550,789, is the most densely populated county in New Jersey. As a New York suburb, it is challenged by a high cost of living, poverty, and a crime rate that is the second highest in the State. Several of its municipalities are among the most distressed communities

in New Jersey based upon a series of socio-economic criteria, although there has been a revitalization on residential and commercial property along the New York waterfront. The 1990's were a difficult decade for the County, and the County was forced to sell property, eliminate departments and lay off employees. In 1999 the County's economy began to improve and now the County is challenged to continue its economic improvements while building and maintaining an effective workforce.

As of 1998, per capital income in Hudson County was \$14,480. After decreasing significantly from 1993 through 1998, Hudson County's total equalized valuation increased from \$19,545,116,795 in 1998 to \$19,918,811 in 1999. In its 1999 budget, due to a dramatic jump in ratables, Hudson County continued the same County tax levy of \$174,950,637 as in 1998, and due to a large growth in ratables, the County's tax rate decreased from \$9.16 to \$8.72. Evidence of its improving economic health can be found from the \$11,600,000 surplus realized in 1998 and the \$18,000,000 surplus that was anticipated in the 1999 budget.

The PBA represents 157 Sheriff's Officers in Hudson County. During the 1990's the Sheriff's Office has experienced a turnover rate of approximately 13-14% per year. In 1995, 27 Sheriff's Officers left the County's employ. Of those employees, six retired and one was terminated, the remainder resigned. In 1996, In 1996, 16 Sheriff's Officers left the County, with five retirements, three

terminations and the remainder resignations. In 1997, 26 Sheriff's Officers left the County's employ, with four retirements, two removals, two terminations, and 18 resignations. In 1998, 38 Sheriff's Officers left the Sheriff's Office. Of those employees, three retired, two transferred to the Hudson County Prosecutor's Office, one retired, and the remaining 32 employees resigned to accept employment at other law enforcement agencies. In 1999, an additional 26 Sheriff's Officer's left the County, three of whom retired, and the remaining 23 resigned.

Sheriff Cassidy testified that such a turnover rate is "unbelievable" and virtually all of the Sheriff's Officers who have resigned have accepted employment for other law enforcement agencies, including municipal police departments, New Jersey Transit, campus police positions, corrections, and park police positions. Sheriff Cassidy also testified that high turnover rate has led to overtime costs between \$1.35 million and \$1.4 million.

A high turnover rate also was identified in a court security survey conducted by the Office of Administrative Law. That report concluded:

The sheriff's officer turnover rate of about 65 officers over the past eighteen (18) months greatly impacts operational proficiency, particularly in the area of technical competence in operating sophisticated equipment such as the x-ray and magnetometer screening equipment. It also impacts upon courtroom security operations and upon readiness and familiarity to perform security procedures in general. It is not normally the purview of this team to discuss wage and salary issues, however, it was evident here that

the salary scale had a great impact upon officer retention, which in turn eroded the effectiveness of training and has reduced the level of officer experience.

Sheriff's Officers' duties include making arrangements for juries, executing arrest warrants, guarding prisoners, apprehending, arresting and assisting in the conviction of offenders, serving court orders, subpoenas, and other legal documents, collecting monies to satisfy debts, fingerprinting and taking photographs, testifying in court, investigating criminal matters, participating in raids, providing security for public functions, performing patrol functions, providing security for county facilities, and responding to calls for disturbances.

Within this general backdrop the County and the PBA have expertly and comprehensively set forth their positions, arguments and evidence in support of their respective positions. I will proceed to summarize them as follows.

POSITIONS OF THE PARTIES

The PBA

The PBA views the interest and welfare of the public criterion as a balance between the need to provide an enhanced package of overall compensation to employees and the need for the County to provide the services of employees at a reasonable cost. Evaluating that criterion, the PBA pointedly asserts that the overall compensation of Sheriff's Officers is "disgraceful." The PBA emphasizes

the inadequacy of Sheriff's Officers' compensation pointing out that the comparative analysis prepared by McEnerney, Brady & Co., LLC shows that the County's Sheriff's Officers are the lowest paid in the State using any measure. Using an hourly rate, analysis of direct compensation per hour worked, or analysis of starting salaries, the PBA maintains that each analysis illustrates the inadequacy of compensation of Hudson County Sheriff's Officers. According to the PBA, 72% of the Sheriff's Officers earn a salary that is less than the average starting salary paid to sheriff's officers in all other counties in New Jersey. The PBA highlights this statistic and points out that this disparity exists despite the fact that Hudson County is the most densely populated in the State and has the second highest crime rate, both overall and in violent crime. Additionally, the PBA points to the testimony of three Sheriff's Officers that they were eligible for and receiving benefits from the WIC program, which is a food assistance program that individuals qualify for based upon their income. The PBA points out that the Sheriff's Officers testifying to their eligibility for the WIC program have families and earned \$24,000 or less.

Seeking to improve morale and efficiency, the PBA asserts that Sheriff's Officers are performing more work and more varied work than ever before. In support, the PBA relies upon the testimony of Captain Openshaw and several reports detailing the scope and amount of work performed by Sheriff's Officers. Specifically, the PBA points out that the functions of Sheriff's Officers include: making arrangements for juries, executing arrest warrants, guarding prisoners,

apprehending, arresting and assisting in the conviction of offenders, serving court orders, subpoenas, writs of attachment, and writs of arrest on indictments, collecting monies to satisfy debts, taking fingerprints and photographs, testifying in court, conducting investigation of criminal matters, participating in raids, providing security for public functions, performing patrol functions, providing security for county facilities, and responding to calls for disturbances. Additionally, citing Sheriff Cassidy's 1999 Report of Organization, the PBA points out that Sheriff's Officers have assumed functions of the disbanded Department of Public Safety and now also perform patrol functions. According to the PBA, Sheriff Cassidy's Report also reflects that the Operations Division needs an additional four Sheriff's Officers and seven other employees, the Courts Division needs seven additional Sheriff's Officers and a supervising officer, and the Administration Division needs one additional Sheriff's Officers and three other employees. Additionally, Sheriff Cassidy's report reflects that the Sheriff's staff is short 12 Sheriff's Officers and six other employees.

Noting that police work has gotten "deadlier," the PBA points to the Sheriff's statements noting the need for increased salaries for Sheriff's Officers.

One cannot place a dollar figure on the case and affect that high turnover has on morale, efficiency, and any manager would recognize a serious problem with this 'revolving door' manpower situation.

The PBA also points to the testimony of former Sheriff's Officers John Oliveira and Dominic Coabravo that morale is poor as a result of low salaries. Additionally, the PBA cites the report of the Security Survey Team appointed by the Office of Administrative Law. That report concluded that wage and salary issues in the Hudson County Sheriff's Office had a "great impact" on Officer retention, which in turn, eroded the effectiveness of training and reduced officer experience levels. Relying upon the Sheriff's statements regarding morale and efficiency and the balancing that requires providing a service to the public at a reasonable cost, the PBA asserts that the public of Hudson County has been enjoying the Sheriff's Officers' services at "an absurdly low rate." In addition to the low salary levels, the PBA also contends that the absence of a step system dooms low paid entry level employees to permanent low wage status.

Turning to comparability factors, the PBA compares the Sheriff's Officers first to other Sheriff's Officers, but asks that arbitral notice be taken of municipal police salaries. According to the PBA, Hudson County Sheriff's Officers are not paid salaries comparable to sheriff's officers in other New Jersey Counties. The PBA contends that the salaries of Hudson County Sheriff's Officers are the lowest of all 21 New Jersey counties. The PBA points out that the Sheriff's Officers' salaries are closest to those paid in Cumberland, Burlington and Gloucester Counties, all in South Jersey where the cost of living is significantly lower than in Hudson County, a New York City suburb. According to the PBA,

72% of Hudson County's Sheriff's Officers are paid less than \$26,841, the average starting salary for sheriff's officers in all other New Jersey counties.

Comparing the Sheriff's Officers to public employees generally, the PBA cites the 1998 and 1999 interest arbitration awards for law enforcement officers, including sheriff's officers, corrections officers, police officers, firefighters and supervisors in police and fire jurisdictions. According to the PBA, wages increases are averaging 4% in those awards. Calculating that a wage increase of 4% of a \$50,000 salary is worth approximately \$2000, the PBA notes that 4% of a \$24,000 is only \$960. Accordingly, the PBA asserts that the terms and conditions of employment in public employment substantially exceed those provided to Hudson County Sheriff's Officers.

Comparing the Sheriff's Officers to other employees in public employment in the same or comparable jurisdictions, the PBA maintains that Bergen, Essex, Passaic and Union Counties are comparable jurisdictions. The PBA bases this comparison on net taxable valuation, population, population density, the crime rate, and the violent crime rate. In each category, these four counties, together with Hudson County, rank in the top five for the State. The PBA points out that in Bergen, Essex, Passaic and Union Counties, starting salaries for sheriff's officers range from \$24,800 to \$28,700 compared to the starting salary for Hudson County Sheriff's Officers of \$20,784. In addition, the PBA notes that in the comparable counties, sheriff's officers can reach a maximum step, but in Hudson

County there is no step movement. According to the PBA, step movement in the comparable counties is as follows:

COUNTY	NO. OF YEARS TO TOP STEP	MAXIMUM SALARY
Bergen	10	\$64,974
Union	9	\$53,349
Essex	7	\$51,173
Hudson	No step movement	\$45,826

The PBA also asserts that comparison of other benefits does not portray Hudson County benefits in a favorable light. According to the PBA, Sheriff's Officers in Hudson and Union Counties do not receive educational benefits, while those in Bergen and Essex do. Additionally, Hudson County Sheriff's Officers receive \$800 in longevity, compared to \$1,000 in Bergen County. The PBA also asserts that Hudson County Sheriff's Officers receive a clothing allowance of \$500, which is inferior to the \$800 allowance provided in Bergen and Union and to the \$550 provided in Essex County. The PBA also notes that Sheriff's Officers in Bergen, Union and Essex Counties receive 14 holidays, compared to 13 in Hudson County. Examining personal days, the PBA notes that Sheriff's Officers in Essex and Union Counties receive 3 personal days compared to 2 days received in Bergen and Hudson Counties. In sum, the PBA argues that under any measuring device, including comparison to any public or private sector employees, or to other law enforcement officers, Hudson County Sheriff's Officers receive substantially less.

When looking at overall compensation, the PBA asserts that Hudson County Sheriff's Officers receive an overall benefit package inferior to average employees. According to the PBA, the most glaring omission is the lack of a step or increment system that would permit Sheriff's Officers to gradually approach compensation levels received by Sheriff's Officers in other Counties over a period of time. The PBA also cites the New Jersey Occupational Wage Survey for 1996 which shows that police officers and sheriff's officers are compensated at a higher rate than Hudson County Sheriff's Officers. Specifically, the Occupational Wage Survey reflects that police officers earn a mean hourly wage of \$27.81 and sheriffs and deputy sheriffs earn a mean hourly wage of \$17.30. According to the PBA many other occupational titles have mean hourly wages well in excess of Hudson County Sheriff's Officers' wages.

Addressing the lawful authority of the employer, the PBA cites the financial report prepared by CPA John Ezyske and Company that concludes that the County does not have a CAP problem and that the County has not exercised its option to maximize the cap. According to Ezyske's report, the County did not avail itself of its lawful ability to increase the Cap base by approximately \$7.7 million. The PBA also highlights the financial report's conclusion that the County has approximately \$19,800,000 in flexible budgetary appropriations. Specifically, the PBA note that the report highlighted that there were budget items cancelled, miscellaneous revenues anticipated, an increase in the Net Valuation Taxable, an excess in Capital Improvement Fund Appropriation, a decrease in debt

service and cancelled improvement authorizations. The report concludes that the cancelled appropriations for the year ending December 1998, which amounted to \$5.5 million and became part of the surplus, amounted to 2% of the County budget.

Additionally, the PBA cites the report and asserts that over the past seven years, the tax levy has been increased modestly at a rate of less than 2.8% per year. The PBA also points out that the Ezyske report found that the decline in the true value of the taxable property was reversed in 1999. According to the PBA, with the present economic environment, this upward trend should continue.

The PBA compares this financial data with the comparative analysis prepared by McEnerney, Brady & Company, which shows a comparison of Sheriff's Officers' 1998 gross compensation over 25 years in various counties. The PBA highlights the disparity between sheriff's officers' gross compensation in Bergen County of approximately \$1.6 million and Hudson County at less than \$600,000. In between, sheriff's officers' gross compensation over 25 years in Union and Essex Counties was approximately \$1.2 million.

The PBA also cites the statement of the County's Deputy Director of Finance and Administration, Wade Frazee. According to the PBA, Frazee indicates that the Cap rate has shown a steady declining trend since 1996. The

PBA points out that Frazee did not indicate why the County did not increase the 1.5% index rate.

The PBA compares the Cap base of approximately \$3.7 million in 1999 with its proposal for wage increases totaling approximately \$300,000 or less than 10% of the overall Cap. Additionally, the PBA points out that if its final offer is awarded the County would save approximately \$1.2 million in the costs of turnover.

Addressing the financial impact of its final offer the PBA maintains that the County has the financial capability to fund the additional costs of its final offer without an adverse effect on the tax rate. According to the PBA, the Ezyske report listed six elements that provided \$19,800,000 in flexibility. Those elements are:

Average Budget Cancellations (3 years)	\$2,200,000
Anticipation of Non-budgeted Revenue	\$2,000,000
Increase in True Value-Additional Revenue	\$8,900,000
Debt Restructuring	\$
Decrease in Debt Service (2002)	\$2,600,000
Excess Capital Improvement Fund Appropriated	\$1,100,000
Cancelled Improvement Authorizations	\$3,000,000
TOTAL	\$19,800,000

The PBA also cites the Frazee certification where Mr. Frazee comments on the County's weakened financial condition, but acknowledges that the county has avoided structural deficits by "one-time non recurring revenue sources." To that

end, the PBA notes that the parties stipulated that the projected structural deficit for 2000 would be virtually zero, as it was in 1998. The PBA notes that the parties also stipulated that Frazee would have testified that the structural deficit was virtually zero due to partial State aid and other means. Therefore, the PBA concludes that the County has successfully cured its budgetary problems each time it is confronted with them.

The PBA cites the Frazee certification which states that the average gross income in Hudson County is \$31,165.00. According to the PBA, that salary would exceed the salaries of 100 out of 149 Sheriff's Officers in 1998. The PBA maintains that though Hudson County is less financially secure than Bergen County, there is no evidence that the County cannot afford the PBA's final offer. Accordingly, the PBA illustrates the differences in the costs of both final offers as follows;

	1999	2000	2001	2002
PBA	\$4,571,895	\$5,050,070	\$5,557,204	\$6,074,305
County	\$4,565,163	\$4,979,059	\$5,376,969	\$5,662,068
Differences	\$6,712	\$71,011	\$180,235	\$412,237

The PBA maintains that the difference in the parties' final offers is not substantial until 2002 when the difference rises to \$412,237. According to the PBA, that cost will be offset by savings in the costs of recruitment. Highlighting the cost of turnover, the PBA points out that over the past three years, the Sheriff's Office lost 96 Sheriff's Officers and spent \$1.2 million in its efforts to replace them. The

PBA maintains that if the County saves half of that sum, or \$600,000, that money could fund the difference between the PBA's and the County's final offers.

The PBA maintains that its final offer provides a salary increase sufficient to stem the constant turnover of Sheriff's Officers, but will still result in salaries below those of Sheriff's Officers in neighboring counties and in the remainder of the State. According to the PBA, its final offer should encourage Sheriff's Officers to remain employed in the County Sheriff's Office, so the difference in the cost of the final offers should be deemed insignificant compared to the savings that will result from lower turnover rates.

The PBA focuses on the cost of living in New Jersey generally, and Hudson County specifically. Noting that in the U.S. Department of Commerce report, New Jersey ranks second in personal income, the PBA points out that average gross income in New Jersey is \$32,654, and average gross income in Hudson County is \$31,265 according to Mr. Frazee. The PBA contrasts these income levels with the 100 Sheriff's Officers who earn below either salary. Given the lack of an increment system in Hudson County, the PBA asserts that the 100 Officers paid below average for the County and for the State may never rise to that level. The PBA points out that a Sheriff's Officer making \$24,000, the current median salary, is \$8,000 behind the state-wide average and would need a 33% salary increase to achieve a \$32,000 salary. The PBA points out further,

that at 5% per year it would take a Sheriff's Officer earning \$24,000 another six years to reach the current average gross salary in the County.

The PBA maintains that the continuity and stability of employment criterion overshadows all other factors. According to the PBA, the County spent \$879,693 to hire 37 Sheriff's Officers over a three-year period. The PBA provided a list of 178 Sheriff's Officers who left their jobs between May of 1990 and September of 1999. Of these 178, 103 Sheriff's Officers left to take other law enforcement positions. The PBA also cites the Sheriff's recounting of a cost of \$1.2 million over the past three years for training 41 Academy graduates, and to pay for 25 new Sheriff's Officers who left before completing the Academy. The PBA also cites an additional 16 Sheriff's Officers who left their employment between November of 1999 and February of 2000. The PBA asserts that there is no law enforcement agency in the State, and possibly in the nation, that has a turnover rate near that of Hudson County.

The PBA argues that the cost of such a turnover rate to the County, its residents and taxpayers is unconscionable and that it deprives the Sheriff's Office of a need for experienced Sheriff's Officers. The PBA urges that the continuity and stability of employment must be considered and given overwhelming weight.

Focusing on its wage proposal, the PBA emphasizes the need for an automatic step guide. The PBA proposes a nine step guide in which employees would move from step to step on their anniversary date. The PBA points out that Hudson County is the only county without an automatic salary increment guide. Additionally, the PBA cites a recent interest award by Interest Arbitrator Frank Mason concerning the Hudson County Prosecutor's Office and PBA, Local 232 where Arbitrator Mason provided justification for the award of an automatic increment system:

The establishment of increment systems in the public sector was a reflection of the concept of providing a sufficient entry salary to ensure hiring of competent personnel and adjustment of salary as that person gains proficiency in the work. . . . Hopefully, this changed pay plan will provide greater incentive to remain in the employ of the Prosecutor and to improve performance as well.

The PBA points out further that Arbitrator Mason's award includes a 12 step automatic increment system with a 1999 starting salary of \$25,000 and rising to \$56,220, and a 2002 starting salary of \$26,000, rising to \$61,436. In contrast, the PBA points out that the step increment it seeks includes an entry level salary of \$21,000 beginning December 31, 2002 and rising only to \$50,076. The PBA asserts that an automatic increment system is essential to alleviate the poor salaries received by Sheriff's Officers who otherwise would continue to start at a low wage and remain at a low wage.

The PBA also seeks salary increases for each year of the agreement. The PBA maintains that the difference between its final offer and the County's proposal is not substantial. The PBA points out that for 1999 the cost difference is \$6,000 and for 2000 the cost difference is \$71,000. According to the PBA, that difference increases to approximately \$181,000 in 2001 and to \$412,000 in 2002. Noting that the difference in the last year is more substantial, the PBA points out that the total difference for the first three years is approximately \$250,000. The PBA contrasts this with the substantial cost savings that will result from reduced turnover. Pointing to the cost of turnover for the past three years of \$1.2 million, the PBA reiterates that if the County saves half that amount, it will fund the increases sought by the PBA.

In addition to its wage offer, the PBA seeks direct deposit for those officers who desire it. According to the PBA, there is no cost to the County for this proposal. The PBA rejects the conditions the County would place on direct deposit, no early checks and no advance payment for vacation, as unfair and urges the adoption of direct deposit with no conditions. The PBA asserts that the administrative burden suggested by the County, namely that the County would need to contact the payroll service to issue two checks instead of one when an employee goes on vacation, should be discounted.

Next, the PBA urges adoption of its work schedule proposal for the Patrol Bureau. Noting that both parties have proposals on this issue, the PBA seeks to

change the Patrol Bureau schedule to conform with that of the Municipal Transport Unit. Currently, the Municipal Transport Unit works a 5-2, 5-3 schedule with time and one half pay for working on a holiday and the Patrol Division works a straight 5-2 schedule with fixed days off. According to the PBA, both parties agree that the work schedule should be 5-2, 5-3 in order that all Sheriff's Officers be given the opportunity to have some weekends off. The PBA urges rejection of the County's proposal that Sheriff's Officers receive compensatory time in lieu of time and one half when working on a holiday if that holiday is a regularly scheduled work day. The PBA argues that the County's proposal is unfair. According to the PBA, the majority of the bargaining unit currently works a 5-2 Monday through Friday schedule, are off on holidays and do not incur the inconvenience of working on holidays. In contrast, the PBA points out that Sheriff's Officers in the Patrol Division are required to be away from their families on holidays and the compensation for that is time and one half pay for the holiday, in addition to the holiday pay. Given the poor compensation levels, the extra compensation should not be taken away from the Municipal Transport Unit or denied to the Patrol Bureau, according to the PBA. Instead, the PBA asserts that the Sheriff's Officer in the Patrol Unit and the Municipal Transport Unit should receive the same work schedule and compensation that Officers in the Municipal Transport Unit enjoy currently.

The PBA also seeks to add two personal days to the benefits received by Sheriff's Officers. The PBA maintains that this is a minor benefit given their poor

salaries. Additionally, the PBA asserts that there are no overtime costs associated with this proposal since, as a result of understaffing, Sheriff's Officers are not replaced when they are off. The PBA also cites the testimony of PBA President William Schulz in support of the need for additional personal days.

The PBA seeks extra compensation for those Sheriff's Officers who have commercial drivers licenses, EMT-D licenses, MOI certifications and accident reconstruction certifications. Since the County uses these certifications, the PBA asserts that the Officers possessing licenses and certifications which provide the County with an extra benefit should be compensated for providing that benefit. According to the PBA, Detectives receive \$1,000 and process servers receive \$1,200 per year. The PBA maintains that these stipends show that the Sheriff's Office acknowledges functions over and above the normal duties of Sheriff's Officers with extra compensation.

Additionally, the PBA proposes a sick leave bonus system that would provide payments depending upon the use of sick leave. The PBA asserts that the need to discourage the use of sick leave in an understaffed department is obvious and its proposal is justified by the understaffing.

The PBA seeks to increase the current clothing allowance of \$500 by \$100 in each year of the four-year agreement. The PBA cites the testimony of former Sheriff's Officer John Oliveiera that the cost of clothing and equipment

exceeds \$1,000. The PBA maintains that even if its proposal is awarded, the costs of clothing and equipment will exceed the allowance. The PBA also asks that if the County decides to change uniforms, it will pay for the cost of the new uniforms. The PBA asserts that if the Employer decides to change uniforms, Officers would be required to purchase shirts and pants at a minimum. The PBA maintains that it seeks to impose the cost of new uniforms on the County if it exercises its unilateral right to change the uniform. The PBA also points out that eleven counties provide a clothing allowance greater than Hudson County and of those, six provide a clothing allowance of \$800 or more per year.

The PBA proposes that Sheriff's Officers receive compensation for the completion of college courses at a rate equal to a Rutgers University rate per credit, as well as compensation for earning degrees. The PBA points out that seven counties in New Jersey provide some form of educational incentive and the PBA's proposal is modest given the need to have better trained Sheriff's Officers. According to the PBA, educational incentives will encourage Sheriff's Officers to attend college with the financial burden being shared by the County.

The PBA also seeks a duty assignment for the PBA President that will provide him with reasonable access to bargaining unit members, as well as 100 full shifts off to attend to union business and an office for the exclusive use of the PBA. Relying on the testimony of PBA President Schulz, the PBA asserts that it is necessary that he be accessible to members and being assigned to a

courtroom limits his accessibility. Pointing out that there are other assignments where he would be more accessible to members, the PBA also asserts that the 100 days to perform union business are necessary to permit the PBA President to properly represent approximately 150 members. The PBA points out that it currently has an office for its use and seeks to memorialize this in the new collective bargaining agreement.

The PBA states that there are currently nine Sheriff's Officers who were previously employed by the County and were not given credit on the salary guide for this time when they were hired by the Sheriff's Office. Referring to testimony that this was former County policy not included in the collective bargaining agreement, the PBA asks that these individuals be given credit for their prior County time retroactive to January 1, 1999. The PBA calculates that the total cost of this benefit would be \$13,426, or a total of one third of one percent.

The PBA seeks to amend the current provision that gave retroactive effect to the last collective bargaining agreement to the first day of that agreement. That section also provided that any employee who resigned prior to the conclusion of the Agreement in the future shall be excluded from retroactive benefits. The PBA proposes that anyone who was employed as a Sheriff's Officer from January 1, 1999 until the award is rendered should be entitled to the retroactive effect of the economic benefits. According to the PBA, the time consuming nature of the interest arbitration process and the current contract

language would unnecessarily punish Sheriff's Officers who left the employ of the Sheriff's Office after January 1, 1999. The PBA maintains that award of this proposal would provide retroactive benefits to these employees with little economic impact because there is little difference between the cost of the PBA's proposal and the County's proposal in the first two years and this provision will reduce turnover.

Hudson County Sheriff's Office

The County asserts that its proposal for a five-year agreement is reasonable. According to the Employer, its proposal stretches the County's economic band significantly and the financial data shows that the County's financial condition is precarious. The Employer maintains that the County is struggling to regain its economic footing and that the equalized value of property has declined while taxes have increased over the past eight years, while the County tries to control its structural deficit. The Employer also points to the extreme financial condition of the County in 1996 when three departments were abolished and employees were laid off. As the County regains its financial feet, its goal is to provide necessary services and programs to its residents and taxpayers and it cannot afford to take an economic step backwards.

The County maintains that its final offer provides wage increases significantly greater than the 5% annually provided by Arbitrator Robert Light for

1994, 1995, 1996, 1997 and 1998. At the same time, Arbitrator Light refused to provide automatic step increases. According to the County, its final offer provides wage increases totaling 32.72% over five years, which is significantly greater than that provided to non-uniformed employees. The County points out that newly hired Sheriff's Officers who stay with the County for one year will receive salary increases from 20.28% to 31.16%. Additionally, the County emphasizes that its final offer would compensate Sheriff's Officers who have been with the County for ten years but who are not at the maximum salary. According to the County, in 1999 there were 21 Sheriff's Officers at \$26,532. Under its proposal, the County would increase the salary of the nine Officers with ten years of experience to \$40,000, or a 50.76% increase in salary. The County explains further that effective January 1, 2001, 12 Sheriff's Officers who earned \$28,124 in 2000 would earn \$41,200, which is a 46.49% increase. Continuing to provide increases to Sheriff's Officers with ten years of experience, the County asserts that in 2001 there are 10 Sheriff's Officers at \$29,811 and effective January 1, 2002 the one Sheriff's Officer with ten years of experience will earn \$42,436, which is a 42.35% increase in salary. According to the County, this proposal better addresses the continuity and stability of employment issue raised by the PBA.

The County maintains that its wage proposal also addresses the salaries of Sheriff's Officers at the lower and middle salary levels. Under the County's proposal, there are nine Sheriff's Officers earning \$34,010 in 1999 and their

salary would increase 17.61% to \$40,000 effective January 1, 2000. Additionally, under the County's proposal, effective January 1, 1999, the 27 Sheriff's Officers earning \$20,784 would earn \$23,569, or a 13.4% increase. Also effective January 1, 1999 the County proposes to increase the salaries of the 36 Sheriff's Officers who earn \$21,823 to \$23,569, or an 8% increase. Additionally those Sheriff's Officers would receive increases of 8% for the next three years and 4.65% in the final year. According to the County, its proposal would also provide 3% increases to those Sheriff's Officers at or near the top salary level.

Reviewing its non-salary proposals, the County maintains that its proposal to provide direct deposit is reasonable and beneficial to both parties. According to the County it established that the early release of paychecks and the advancement of vacation checks create an administrative burden (Feb 4 trans. Page 20, line 23). Additionally, the County points out that a similar proposal was granted by Interest Arbitrator Frank Mason in his award covering the County Prosecutor's Office and PBA, Local 232 representing the Investigators. The County also points out that a similar provision is included in the County Prosecutor's Superiors May 26, 2000 memoranda of agreement.

The County urges adoption of its work schedule proposal. Relying upon the testimony of Sheriff Cassidy that the schedule would permit PBA members to rotate their days off so that those days off would eventually fall on the weekend, the County also points to Sheriff Cassidy's testimony that the Superior Officers

agreed in late 1998 to forego overtime or holiday pay when those officers worked on a holiday. (Feb 4, pages 5-6). The County highlights Sheriff Cassidy's explanation that the 5-2, 5-3 schedule would provide effected PBA members with an additional 17 days off per year and that Officers on the 5-2,5-3 schedule that work a holiday which is on their regularly scheduled work day are receiving more pay than those members in the court bureau who are on a 5-2 work schedule. The County points out that Officers working a 5-2 schedule do not receive time and one half for working on the holiday.

The County submits that its proposal for a "Fully Bargained Clause" or a "zipper" clause is reasonable. According to the County, such clauses are common and provide that the parties' written agreement constitutes the parties' entire agreement. The County points out that past practices not specifically included in the collective bargaining agreement would be abolished with this clause and the parties would not have an obligation to bargain during the term of the agreement. In addition to a "Fully Bargained Clause," the County seeks to delete the provision from the Preamble of the Agreement that provides, "[a]ll other terms and conditions of employment not specifically modified by this agreement and in effect prior hereto shall remain in full force and effect for the duration of this contract."

Turning to the statutory criteria, the County asserts that its final offer is more reasonable because the PBA's offer would have a detrimental impact on

the County. Relying upon the Certification of its Deputy Director of Finance and Administration Wage Frazee, the County asserts that it is in precarious financial condition. In support of its assertion, the County cites Interest Arbitrator Frank Mason's award concerning the Hudson County Prosecutor's Office and the Investigators. In that Award, Arbitrator Mason stated that:

[T]he County has experienced a decade of budget balancing challenges which have required it to resort to all manner of initiative from sharply reducing employment to begging relief from the State. However, the 1998 surplus carried into the 1999 budget seems to have been a sign of change. There followed a slight reduction in taxes for 1999 and a prediction of a meaningful future increase in tax revenues as well. This seems to bode well for the County but when the Deputy Director, Finance and Administration was cross examined and some of these seeming improvements in the economic situation had been acknowledged he was asked, "...have you ever seen a year as good as '99 compared to preceding years of budgetary standpoint, revenue standpoint, tax rate standpoint?", his response seemed to reflect the bruising battle of the past decade when he said, "I think that '99 has shown some hope". It was obvious from this dialog that the economic future of Hudson County was anything but a certainty in the Deputy director's mind and the glow on the horizon was being observed by a veteran skeptic.

The County continues, asserting that its final offer is a strong attempt to provide increases well above previous contracts, but that its economic uncertainty dictates against an award more generous than its proposal. The County maintains that examination of its current financial condition is not sufficient and that its prior financial history must be considered. According to the County, it is one of the most economically distressed in the State. Based upon a 1996 State ranking of socio-economic conditions in all of its 567 municipalities,

called the Municipal Distress Index, ten of Hudson County's 12 municipalities are included among the State's 100 most distressed communities. The Municipal Distress Index includes the unemployment rate, per capita income, ratio of substandard housing, percentage of children on welfare, average equalized tax rate, and population density. The County points out that three of the municipalities in the top ten most distressed communities, Jersey City, Union City and West New York, represent 60% of the County's population. Additionally, the County points out that it ranks second among the State's counties in persons below the poverty level and 19th in per capita income at \$14,480.00. The County also notes that it has experienced the highest unemployment rate in the State for the past several years. Specifically, in 1999, the County's unemployment rate reached 7.3% according to the County, compared to a Statewide average of 4.7%.

The County points out that its financial condition in 1996 resulted in the abolition of three departments, including the County Police, a unionized law enforcement unit. The County maintains that it has depended and continues to depend upon "one-time, non-recurring" revenue sources to balance its budget and to bridge its Structural Deficit. Specifically, the County points out that in 1995 it liquidated a bond reserve account, sold two County facilities (Pollak and Meadowview Hospital facilities) and issued bonds to cover ten years worth of pension fund payments. The County also points out that in 1997 it sold the

County Administration Building for \$26 million and agreed to a lease back at \$2.8 million per year.

The County notes that it has increased taxes by \$32.9 million since 1996. Specifically, taxes were increased by \$13.1 million in 1997 and by \$4.7 million in 1998. The County asserts that its residents bear a tremendous tax burden due to decade long decreases in tax ratables and increases in tax rates from 1991 through 1998. Relying upon the Certification of Deputy Director Frazee, the County points out that its ratables or equalized value of property reflected a \$5.7 billion loss or a decrease of 23%. At the same time, the County points out, the decreased ratables led to a 74% increase in the tax rate in order for the County to maintain tax revenue and remain solvent.

Responding to the PBA's arguments, the County asserts that considering the recent increase in its net equalized valuations to be an economic boom would be "foolhardy." The County points out that despite the increase in ratables in 1999, ratables remain down \$5.7 billion from 1991 through 1998 and the 1999 increase does not equal an identical increase in its tax base. The County explains that the increase in ratables is due to the current real estate market and does not result in an equivalent increase in assessed values, because assessed values are not affected by the prevailing real estate market to the same extent as equalized values. Of course, the County notes, taxpayers pay taxes based upon the assessed value of their property rather than its equalized value.

Additionally, the County cites Deputy Director Frazee's Certification and notes that its tax base has been eroded by tax appeals over the last eight years. Specifically, the County points out that successful tax appeals have resulted in a \$1.4 billion reduction on assessed property values from 1991 to 1998.

The County points to the Payment In Lieu of Taxes program (PILOT) as another factor contributing to the decline in its tax base. The County explains that under PILOT, County municipalities, particularly Jersey City, offer tax abatements to developers as a development incentive. As a result, many properties pay few, if any property taxes for several years. Given that the municipality does not collect taxes on the improvement, the County does not derive a tax benefit from the money collected on the abated improvements. The County estimates that the equalized value of the abated improvements in Jersey City is \$1.5 billion.

The County cites its bond ratings as additional evidence of its precarious financial condition. According to the County, in 1996, Moody's reduced the County's bond rating from Baa1 to Baa based upon the County's reliance on "one shot" revenue fixes. As a result the County continue to have a Baa bond rating, which means "the investment may be characteristically unreliable over any great length of time. The County notes that its rating with Fitch's is A-, wich means "the investment may be more vulnerable to changes in circumstances or

in economic conditions than is the case for higher ratings.” Standard & Poors has assigned the County an A+ rating for 25 years. According to the County, that rating is justified because its financial operations are “thin.” The County points out that such rating result in higher interest rates paid to bond holders and corresponding higher costs to the County.

The County argues that these conditions indicate that the PBA’s final offer negatively affects the welfare of the County and would have a negative financial impact on its residents and taxpayers. Noting that recent indicators are more optimistic, the County points out that it has not yet recovered from the poor socio-economic environment present throughout the last decade.

Addressing the comparability of wages, salaries, hours and conditions of employment, the County asserts that the PBA’s proposal is unreasonable. First, the County asserts that the PBA’s reliance on other jurisdictions that have automatic step systems in place is faulty under PBA, Local 207 v. Borough of Hillsdale, 137 N.J. 71 (1994) and Washington Tp. v. New Jersey PBA, Local 206, 137 N.J. 88 (1994). According to the County, under Hillsdale, comparability requires “more than a comparison of police salaries in other communities.” 137 N.J. at 85.

According to the County, its offer is more reasonable when compared to the agreement between PBA, Local 334 and the Prosecutor’s Superior

Investigators. In that agreement, Superior Investigators received increases of 2% effective January 1, 1998, 3% effective January 1, 1999, 3% effective January 1, 2000, 3% effective January 1, 2001, 3% effective January 1, 2002 and 3% effective January 1, 2003. The County also points out that the above referenced agreement does not include a provision for automatic step movement.

The County notes that this agreement is in line with the pattern of settlement for non-uniformed County employees. Referring to the 1999 County Budget Summary, the County points out that 12 units, including approximately 1,372 employees entered into collective negotiations agreements providing for increases of 0% in 1996, 2.75% in 1997, 3% in 1998, 3% in 1999 and 3% in 2000. Noting that none of the non-uniformed employee units received wage increases in 1996 and none of those units have a provision for automatic step increases, the County points out that these agreements are nearing expiration and those units will be analyzing this Award as they enter negotiations with it.

Returning to Arbitrator Mason's Award covering Investigators in the Prosecutor's Office, the County points to his recognition of the County's economic distress. According to the County, Arbitrator Mason awarded wage increases totaling 30.5% over five years to a unit consisting of 69 employees. In contrast, the County emphasizes that its offer totaling 36.72% over five years for a unit of 157 employees is a full 6.22% more than the increase provided to the smaller unit.

The County also asserts that its proposal is reasonable in light of overall wage increases of 36.72% at a time when the CPI increased under 2% per year and that its proposal is fair and adequate when compared to other public and private employees. The County points to an interest arbitration award in Atlantic City providing a two year wage freeze for its Police and to a State contract providing an annual increase of 3.37% over a four-year period. Additionally, the County cites co-pays for HMOs and traditional health care plans, as well as a CWA contract with the State that provides 2.5%, 3.5%, 4% and 4.5% over four years with the same health care concessions.

Relying upon BNA compiled wage data for the first 36 weeks of 1999, the County maintains that the weighted average increase in negotiated contracts was 3.4% and the weighted average increase for state and local government contracts was 3.3%. In contrast, the County points to the economic increases provided to its employees by this contract. According to the County, newly hired Sheriff's Officers who stay with the County for one year will receive increases ranging from 20.28% to 31.16% and Sheriff's Officers who have been employed with the County for ten years and are not at maximum salary will receive salary increases for one year ranging from 42.35% to 50.76%. The County also points to increases for Sheriff's Officers at middle and lower salary ranges. In 1999, nine Sheriff's Officers would receive a salary increase of 17.61%, 27 Sheriff's Officers would receive a salary increase of 13.4%, and 36 Sheriff's Officers

would receive an 8% increase. Thereafter, those 36 Officers would receive 8% per year for the next three years and 4.65% in the final year. Additionally, Officers at or near the top salary level would receive 3% per year under the County's proposal.

The County points to the wide range of benefits provided to PBA members, including vacation time, personal days, clothing allowance, longevity, health and insurance benefits, and \$1,000 to \$1,500 stipends for detectives and process servers. The County considers the PBA's proposal to increase the clothing allowance by \$100 per year to be unreasonable. Comparing the clothing allowance in Camden County, which was \$625 per year in 1998, the County points out that it increased only \$25 per year. Additionally, the County notes that its Sheriff's Officers receive five additional vacation days based upon length of service sooner than Officers in Camden County. The County points out that its Sheriff's Officers also accumulate more vacation time earlier than do Officers in Essex, Passaic, Union and Middlesex Counties.

The County argues that it is unnecessary to provide PBA members with additional personal days and the PBA's proposal for educational incentives are unreasonable. The County notes that the PBA did not provide evidence that such courses or degrees are necessary to the performance of Sheriff's Officers' duties, nor is the proposal limited to job-related courses. Likewise, the County asserts that the PBA did not provide a basis for granting officers sick leave bonus

incentives. According to the County, employees are expected to have regular and reasonable attendance and should not be rewarded for simply doing what is expected. Acknowledging that County Corrections Officers currently receive a sick leave bonus incentive, the County notes that its is seeking to have that bonus eliminated in interest arbitration. The County also asserts that the PBA's proposal for \$1,200 stipends for Officers with certain certifications is unreasonable.

Turning to the interest and welfare of the public, the County, citing Hillsdale, 137 N.J. at 83, points out that this criterion "focuses in part on the priority given to the wages and monetary benefits of public employees within a municipality's budget and plans." Additionally, the County reiterates that under Hillsdale, it is not sufficient to assert that raising taxes to cover the cost of an award. Therefore, the County argues, the increases sought by the PBA are not in the public interest. The County submits that consideration of the unemployment rate, per capita income, the percentage of residents living in poverty and other relevant evidence leads to the conclusion that it would be improper to award automatic steps to PBA members at taxpayer expense.

The County reiterates that its Structural Deficit has "loomed" for years. Specifically, the County points out that the Structural Deficit was \$15 million in 1988 and was \$16.7 million in 1998. Given that the County has addressed this problem with one-time non-recurring solutions, it asserts that the public interest

would not be served by increasing the tax burden. Therefore, the public interest mandates selection of its final offer.

Turning to the continuity and stability of employment, the County asserts that this criterion covers the employer's overall salary structure, the rate of unemployment generally, employee turnover and the likelihood of layoffs. According to the County, since the current demand for Sheriff's Officers is decreasing and the supply is increasing, lower wages can be justified under this criterion. Citing the testimony of Lieutenant Geerlof, the County points out that the recent Civil Service List for Hudson County Sheriff's Officer positions certified 207 candidates. Again relying upon Lieutenant Geerlof's testimony, the County points out that there were 22 vacancies for those candidates. The County also points out that Lieutenant Geerlof testified that in 1999, 600 people took the test and were certified for the position of Hudson County Sheriff's Officer.

The County distinguishes the work of Sheriff's Officers from the work of Investigators in the Prosecutor's Office, where Arbitrator Mason gave great weight to the continuity criterion. In that case, the Prosecutor distinguished between the responsibilities of an Investigator from those of a police officer or a sheriff's officer. Arbitrator Mason relied upon a review that he found that too many experienced investigators leave and inexperienced staff members are left with the "complex" duties of the office. Given that Arbitrator Mason relied upon the high level of criminal activity in the County and the special skills and expertise

of Investigators, the County argues that those circumstances do not apply to this bargaining unit. The County relies upon the testimony of Sheriff Cassidy and Captain Openshaw that the responsibilities associated with staffing the courthouse and transporting inmates, monitoring cells, and providing security to Superior Court judges are not complex. Specifically, the County highlights Captain Openshaw's testimony that there was a dramatic decline in prisoner movement from 1998 to 1999. According to the County, prisoner movement in Superior Court declined from 13,848 to 8,891 or a 54% decrease, movement in Juvenile and Domestic Court declined from 7,230 to 4,395, or a 64% decrease, and movement in CJP Court (camera) and CJP Court declined 64% and 56% respectively.

The County submits that its final offer demonstrates its strong commitment to maintaining the continuity of employment. The County reiterates that its economic proposal includes wage increases totaling 36.72% that are significantly greater than those received in recent years. The County emphasizes that its proposal would provide great incentive to new employees to complete the academy and to remain in the County's employ by providing those employees with increases ranging from 20.28% to 31.16%. According to the County, these increases are particularly important given the testimony of Sheriff Cassidy, Lieutenant Geerlof, Captain Openshaw, and (TITLE?) Joseph Bonner that Sheriff's Officers are leaving within one year. The County also cites evidence submitted by the PBA that over the past three years, 25 Officers have left before

graduating from the Academy, but the training costs were incurred by the County. However, the County maintains that the PBA's proposal does not address the issue of how to keep the new hires. Additionally, the County reiterates that its proposal provides significant increases for employees at the middle and upper salary levels.

Responding to the PBA's emphasis on the fact that former Sheriff's Officers who have left the County's employ have gone to work in jurisdictions where law enforcement employees have an automatic step system in place, the County points out that such an analysis was rejected in Hillsdale, and those jurisdictions can not be compared economically to Hudson County. For example, the County points out that Bergen County, where Sheriff's Officers earn significantly greater wages has only three out of 70 municipalities on the Municipal Distress List compared to over 80% of the municipalities in Hudson County.

Citing the testimony of former Sheriff's Officer John Oliveira, the County asserts that although he earns more money as a municipal police officer in Clinton, his hours are more irregular as a municipal police officer. Additionally, the County points out that Officer Oliveira continues to perform off-duty jobs to earn extra money. The County emphasizes that several of the other Officers who left the Sheriff's Office also continue to maintain outside employment in their new positions.

Regarding the PBA witnesses who testified that they applied for WIC benefits, the County points out that there are many County residents who are eligible for WIC benefits as well. The County urges that the testimony of David Masten, a financial advisor, is irrelevant as money management is not one of the statutory criteria.

The County points out that the stipulations of the parties, enumerated herein, provide increased benefits to PBA members, including a two-hour minimum for court room appearances and benefits for service connected sickness, injury or disability.

Turning to non-salary proposals, the County asserts that its non-economic proposals are reasonable and urges rejection of the PBA's non-salary proposals. The County asserts that the PBA's proposal for two additional personal days is unreasonable because it falls outside the standard personal day benefit received by other County employees.

Additionally, the County urges rejection of the PBA's proposal to provide retroactive benefits of this Award to former employees who have left the County's employ. Since, as the PBA maintains, these individuals left the County's employ to receive big salary increases, to provide them with the retroactive effect of this

Agreement would be “double-dipping” and an unfair expenditure of County taxpayer funds.

The County argues that the PBA’s proposals regarding time-off for official PBA business and its request to grant credit for prior County time cannot be considered because they are not included in the Petition to Initiate Compulsory Interest Arbitration pursuant to N.J.A.C. 19:16-5.5(a)(1).

Finally, the County addresses the PBA’s wage proposal in light of the Cap Law. According to the County, the policy, as stated in the Cap Law and in Hillsdale, is to hold increases in expenditures close to prior appropriations. The County maintains that its final offer would do just that. The County also asserts that the Cap Law requires consideration of the impact of the award on the employer’s ability to expand or maintain existing programs and to initiate new ones. According to the County, if it is required to fund an economic package greater than the one it proposed, other services would have to be reduced.

STIPULATIONS TO BE INCLUDED IN THE AGREEMENT

The parties stipulated to the following modifications to their collective bargaining agreement. Procedural stipulations and stipulations of fact are addressed in the body of this Award.

A. Article VIII Overtime--Court Appearances

The County shall pay all employees for appearance in Municipal Court, Superior Court, Juvenile Court, Grand Jury and ABC Proceedings while off duty time and one half (1½) with a four (4) hour minimum. The employee shall submit in writing all time spent at the appearance to the officer in charge. Employees may not be retained for the purposes of obtaining the minimum of four (4) hours if the appearance requires less time.

B. Article XIX --Dues Check-off

a. Upon the request of PBA 334, the County shall deduct a monthly representation fee from each employee who is not a member of PBA 334. The County shall deduct such fee pursuant to the provision of this article and upon notification by PBA 334. The amount of said representation fee shall be certified to the County by PBA 334, which amount shall not exceed 85 percent of the regular membership duties, fees and assessments charged by PBA 334 to its members.

b. The Union shall establish and maintain at all times a demand and return system as provided by N.J.S.A. 34:13A-5.5 and 5.6 (L. 1979 c. 477). Membership in the Union shall be available to all employees in the unit on an equal basis at all times. In the event the Union fails to maintain such a system, or if membership is not so available on an equal basis, the Employer shall immediately cease making such deductions.

C. Article XVII - Injury on Duty

Members covered under this Agreement will be paid their regular straight time rate of pay for a period not in excess of 52 weeks, for each new and separate service-connected sickness, injury or disability, commencing on the first day of every such service-connected injury or disability. Temporary disability benefits paid by Worker's Compensation Insurance (WCI) to the member will be paid over to the County. Intentional self-inflicted injuries or those service connected injuries or disabilities resulting from gross negligence shall not be covered by the provisions of this Section. Any member who accepts outside employment where physical demands are equal to or greater than his or her normal police activities during the periods of service connected sickness, injury or disability leave shall be deemed physically fit to return to duty and shall be subject to loss of service-connected sickness, injury or disability pay. When such sickness, injury or disability leave is granted, the member shall not be charged with any sick leave time for such time lost due to such sickness, injury or disability.

D. Article VIII - Overtime

When the need for overtime occurs in a particular unit within a division of the Sheriff's Office, it shall be accomplished by members of that unit where possible. If the need for overtime cannot be met by members of that unit, it shall be filled by members of the division.

In emergent situations, where overtime cannot be filled by members of the division, it shall be assigned out of division with the approval of the Sheriff or his designee.

Unit and division commanders shall make all attempts to keep overtime equitable, i.e., use of a rotating list when possible.

E. Article X - Sick Leave

1. New employees shall receive one working day for the initial month of employment if they begin work on the 1st through the 8th day of the calendar month, and one-half working day if they begin on the 9th through the 23rd of the month. Employees who begin to work after the 23rd of the month are not entitled to any sick leave for that month.

2. After the initial month of employment and up to the end of the first calendar year, employees shall be credited with one working day for each month of service.

3. After the first calendar year of service, employees shall receive 15 working days of sick leave at the beginning of each calendar year in the anticipation of continued employment.

a. Employees shall be entitled to use accrued sick leave when they are unable to perform their duties by reason of: (1) personal illness, injury or exposure to contagious diseases; or (2) illness, injury, or exposure to contagious disease on the part of the member's spouse, child, legal ward, grandchild, foster child, father, mother, legal guardian, grandfather, grandmother, brother, sister, father-in-law, mother-in-law, and other relatives residing in the member's household.

b. Unused sick leave shall accumulate from year to year without limit.

c. Verification of Sick Leave

i. A member who shall be absent on sick leave may be required to submit acceptable medical evidence

substantiating the need for sick leave. Abuse of sick leave shall be cause for disciplinary action.

ii. In the case of a member utilizing sick leave to attend to a sick or injured relative, the member may be required to supply acceptable medical evidence that: a) the relative was sick or injured, and b) the member's presence was required.

iii. In the case of leave of absence due to exposure to contagious disease, a certificate from the Department of Health or the employee's personal physician, if he or she so desires may be required.

iv. The County may require a member who has been absent because of personal illness, as a condition of his or her return to duty, to be examined by a County physician. Such examination shall establish whether the member is capable of performing his or her normal duties and that his or her return will not jeopardize the health of the member or other employees.

v. Failure to provide verification may result in denial of sick leave and may result in disciplinary action. Abuse of sick leave or chronic or excessive absenteeism will result in discipline up to and including discharge. Abuse includes using sick leave when you are not ill.

F. New Article - Probationary Employees

The County shall provide a probationary employee with a copy of such written disciplinary notice(s) as may be issued involving said probationary employee at the time such notice is issued. Such disciplinary actions shall not be subject to the grievance and arbitration provisions of this Agreement.

G. New Article - Safety Committee

A joint Safety Committee between the PBA and the County shall be established for the purpose of maintaining a safe and health work environment. In the event of a safety and/or health incident, the County will temporarily release members of the Committee from their duties for the purpose of investigating the incident during regular working hours. Such release will not be automatic, however it will not be unreasonably denied.

The Committee may make non-binding, advisory recommendations to the County pursuant to the Committee's investigation. The implementation of such recommendations will be at the discretion of the County.

The PBA and the County shall each designate one (1) person to serve as a member of the Safety Committee. The PBA and the County shall also jointly designate one Sheriff's Officer to serve as an alternate member of the Safety Committee. Such alternate member shall serve on the Committee only when either of the other two designated Sheriff's Officers is unable to investigate an incident.

DISCUSSION

I am required to issue an award based upon a reasonable determination of all issues in dispute after giving due weight to the statutory criteria which I judge relevant. The County and the PBA have articulated fully their positions on the issues and have submitted evidence and argument on each statutory criterion to support their respective positions. The evidence and arguments have been carefully reviewed, considered and weighed.

Initially, I note that several issues remain in dispute. One principle which is ordinarily and traditionally considered in the determination of wages, hours and conditions of employment through the bargaining process is that a party seeking such change bears the burden of showing the need for such modification. I apply that principle to the analysis of each issue.¹

¹ The County argues that the PBA's proposals regarding time-off for official PBA business and the PBA's request that credit for prior County time be given to Sheriff's Officers previously employed by the County in other departments should be denied because they were not included in the PBA's Petition to Initiate Compulsory Interest Arbitration pursuant to N.J.A.C. 19:16-5.5(a)(1). The PBA's proposal regarding time off for official PBA business and its request for codification of the provision of office space to the PBA are not included in the Petition to Initiate Compulsory Interest Arbitration. Therefore, those proposals are not considered. However, the PBA's

I conclude that burden has not been met with respect to the PBA's proposals to add two additional personal days. Sheriff's Officers currently receive two personal days and this proposal would increase that to four. The PBA suggests that the two additional personal days would have no cost to the County, since the high turnover rate prevents the replacement of Officers who are on leave. However, the public interest in ensuring that the duties of Sheriff's Officers, including guarding prisoners, providing court security, and transporting inmates weighs against an increase in leave time, especially in light of the current high turnover rate. Existing annual overtime costs of approximately \$1.4 million are already high and could be exacerbated by this proposal. For these reasons, the PBA's proposal seeking two additional personal days is denied.

I also find insufficient justification exists for the PBA's proposal to create \$1,200 annual stipends for holding a variety of certifications, including a commercial drivers license, EMT license, a Methods of Instruction Certification and/or an Accident Reconstruction Certificate. The PBA likens these licenses and certifications to a detective or process server's stipend and asserts that the County draws a benefit from the holding of these certifications and licenses and should compensate the employees who have qualified for them. However, the record does not reflect that it is common to compensate Sheriff's Officers for specifically holding these licenses and certifications. Additionally, these licenses

proposal to adjust the salary for Sheriff's Officers with previous County service is included under the term "wages" and is considered.

and certifications, which play a minor role in the duties of a Sheriff's Officer are not akin to a detective's or process server's stipend, where the stipend is centrally related to the Officer's core responsibilities. I also believe that this record supports devoting funds to improve salaries and should not be freely spent on non-salary compensation. This proposal is not awarded.

The PBA seeks a new educational incentive benefit that would compensate employees at the equivalent of the Rutgers rate per credit earned for taking college courses and provide an annual stipend to those employees with an Associate, Bachelors or graduate degree. There is no evidence indicating how many employees might take advantage of such an incentive. Nor is there evidence as to how many Sheriff's Officers would be entitled to such stipends. There is insufficient information to estimate the cost of this proposal. Therefore, the educational incentive proposal is denied.

PBA seeks to add a sick leave bonus provision to the Agreement. Under this proposal, Sheriff's Officers who did not use any sick days in a year would receive a \$500 bonus. Sheriff's Officers who used one or two sick days in a year would receive a \$300 bonus and Officers who used three or four sick days in a year would receive a \$100 bonus. The PBA suggests that a sick leave bonus program would decrease the use of sick leave and increase the number of Officers on the job. Since current staffing levels do not permit the replacement of Officers who are on sick leave, the PBA asserts that this proposal would increase

the number of employees on the job. The County urges rejection of this proposal asserting that employees are paid for and expected to come to work and should not be rewarded for meeting expectations. The County acknowledges that a similar benefit is currently provided to County Corrections Officers but that it has proposed to eliminate that benefit in interest arbitration.

I conclude that there is merit to this proposal although I do not award the proposal as stated. The turnover rates and the overtime expenditures are significant. An annual attendance incentive program could ease these conditions by providing an economic incentive to remain a Sheriff's Office employee and to maintain a higher level of staffing to avoid overtime costs from having to reassign employees to cover those who are absent by taking sick leave. A similar program is in effect at Corrections. If this program does not fulfill its stated intent, such evidence should be persuasive in future negotiations to eliminate or modify the program. Thus, I award the proposal to the extent that an employee with perfect attendance shall receive a \$500 bonus. An employee would qualify by having perfect attendance for a full calendar year commencing January 1, 2002 through December 31, 2002 and such payment shall be made to a qualified employee within thirty days of the last day of the calendar year. This program shall be limited to those employees with perfect attendance. I do not award an annual attendance incentive program for employees who take sick leave in any amount during a calendar year. The program shall be referred to as a perfect

attendance incentive and limited to those employees with perfect attendance during a calendar year.

The PBA and the County agree that direct deposit should be made available to Sheriff's Officers. Their views diverge as to whether any conditions should be placed on direct deposit. The County proposes to eliminate the early release of paychecks and the advance payment of vacation checks to employees when the direct deposit system is established. According to the County, the early release of paychecks and the advancement of vacation checks create an administrative burden. (see 2/4 transcript) The County points out that Arbitrator Mason included similar conditions in his Award covering Investigators in the Prosecutor's Office and a similar provision is included in the County Superiors' agreement. The PBA contends that the administrative burden is minimal and should be discounted.

There is merit to a direct deposit program but I am persuaded that it should not be imposed while the early release of paychecks is provided. Although the PBA asserts that the administrative burden would be minimal, this program should, if implemented, be consistent with the benefit provided to County Corrections Officers. Thus, I award the direct deposit program, but condition it upon elimination of early release of paychecks, with the PBA having the option of selecting this program based upon this condition, or informing the County within 14 days of this Award, that it chooses to stay with early release

and drop its proposal, and the award of direct deposit, based upon the stated condition.

Both parties propose work schedule changes. Presently, employees in the Municipal Transport Unit work a 5-2, 5-3 schedule and employees in the Patrol Division work a 5-2 schedule. The PBA seeks to change the work schedule for Sheriff's Officers assigned to the Patrol Bureau from a 5-2 work schedule to a 5-2, 5-3 work schedule to permit Officers to have some weekends off. The County does not oppose this schedule change. However, the PBA also proposes that employees working a 5-2, 5-3 work schedule shall receive overtime pay for working on a regularly scheduled workday when that day is a holiday. The Officers assigned to the Municipal Transport Unit currently receive this benefit. The County proposes that all employees who work a 5-2, 5-3 schedule receive a compensation day in lieu of overtime when a holiday falls on a regularly scheduled workday. According to the County, the benefit sought is unwarranted because Officers working a 5-2,5-3 schedule work 17 fewer days per year than do those working a 5-2 schedule. The PBA argues that low pay and the requirement that working Sheriff's Officers are away from their families on holidays justify the payment of overtime for work on holidays.

There is merit to the proposal changing the work schedule to a 5-2, 5-3 work schedule. This schedule is currently received by officers assigned to the Municipal Transport Unit. Although those officers do receive overtime pay, the

County's proposal to provide a compensatory day is reasonable in light of the seventeen day reduction in the work year.

The County proposes to add a new "fully bargained" or "zipper" clause to the Agreement which would provide that the written agreement would constitute the parties' full agreement. To be consistent with the new provision, the County would also delete language from the preamble to the Agreement that provides, "[a]ll other terms and conditions of employment not specifically modified by this agreement and in effect prior hereto shall remain in full force and effect for the duration of this contract." Though the County acknowledges that this provision could have the effect of abolishing past practices not specifically included in the Agreement, there is no indication as to the nature of those practices. Nor is there evidence that the lack of a zipper clause has caused mid-term disputes or has led to instability or an inordinate number of grievances. In the absence of such evidence, the County's proposals to add a fully bargained provision and to amend the preamble to the Agreement are denied.

The PBA proposes to increase the clothing allowance from its present \$500 per year by \$100 per year in 1999, 2000, 2001 and 2002. The PBA also proposes that if the County decides to change uniforms, it will pay for the cost of the new uniforms. The County maintains that the PBA's proposal is unreasonable in light of other benefits received by Sheriff's Officers and the County's financial condition. The County argues that a \$400 increase in the

clothing allowance is unreasonable when compared to the \$25 annual increases to a \$625 clothing allowance provided to Camden County Sheriff's Officers. In contrast, former Sheriff's Officer John Oliveira testified that the cost of clothing and equipment exceeds \$1,000. The current \$500 annual clothing allowance is slightly below average when compared to the allowance provided by other counties and does not cover the cost of new uniforms and equipment. In consideration of all the evidence on this issue, I award an increase in clothing allowance by \$50 in each year of the agreement, commencing in contract year January 1, 2001 for a total of \$100. The other aspects of this proposal are rejected.

After the last round of bargaining, the economic benefits in the Agreement were applied retroactively to "those employees on the payroll as of the effective date of that Award (January 24, 1997), as well as to those who resigned in good standing, retired or were on medical leave of absence from January 1, 1994 to the effective date of that Award (January 24, 1997)." That Agreement also provided, "[t]he parties agree that in any future collective negotiations agreement they may conclude, through interest arbitration or otherwise, any employee who voluntarily resigns from employment with the Employer prior to conclusion of the agreement, regardless of whether such resignation is or not in good standing, shall be excluded from any retroactive benefits."

The PBA proposes to replace this language currently contained in paragraph C of Article II with the following:

The retroactive effect of the economic benefits of this agreement which will result from the interest arbitration by Arbitrator James Mastriani shall apply to all employees who were on the payroll during the term of the contract established by the Arbitrator. Employees who left employment between January 1, 1999 and the date the collective bargaining agreement is executed, will be entitled to the retroactive effect of all economic benefits of the agreement.

The County objects strongly to providing the retroactive economic effect of this Award to individuals who have left its employ. According to the County, to do otherwise would reward employees who left in search of higher pay by allowing them to "double dip." The County reasons that employees who left for higher salaries should not be permitted to gain the improvements provided to those employees who remained with the County. The PBA contends that, given the time consuming nature of the interest arbitration process, the current contract language would unnecessarily punish Sheriff's Officers who left the employ of the Sheriff's Office after January 1, 1999.

I do not award retroactive payments for those employees who have left the employ of the County prior to the issuance of this Award, except for those employees who have retired or were on medical leave of absence. I do not award retroactivity for employees who voluntarily resigned or who left not in good standing. The reason for this conclusion is that the terms of this Award are

significantly higher than the last Agreement in substantial part due to rewarding employees who have remained and providing additional incentive to remain employed. The economic burden of the Award should not extend to those who voluntarily resigned or who left not in good standing.

Additionally, the PBA seeks credit on the salary guide for nine Sheriff's Officers who were previously employed by the County and were not given credit for that service when they were hired by the Sheriff's Office. According to the PBA, the total cost of that benefit would be \$13,426, or one third of one percent. The County objects to this proposal only on the basis that this proposal was not included in its Petition to Initiate Compulsory Interest Arbitration pursuant to N.J.A.C. 19:16-5.5(a)(1). As I found herein, the PBA's proposal to adjust the salary for Sheriff's Officers with previous County service is included under the term "wages." Accordingly, in the absence of substantive objection to this proposal and because employees are compensated, in part, based upon their length of service, the nine employees at issue shall be given credit for their prior County time retroactive to January 1, 1999.

I now turn to salary. Although the County and the PBA disagree on the final disposition of this issue, their positions reflect an understanding that special consideration must be given towards modifying the existing compensation system.

The County, in its final offer, attempted to respond to the PBA's concerns relating to turnover, the lack of a coherent salary structure as well as inadequate compensation especially for less experienced Sheriff's Officers. To that end, the County has proposed significant increases as well as an effort to rationalize its pay system. The County proposes to move employees currently working at dozens of different levels to six levels during the term of this Agreement. This process will cost the County 32.72% over five years. Although this proposal is unacceptable to the PBA in terms of both amount and structure, the PBA must recognize that the County's offer is a product of its efforts to respond to the concerns expressed by the PBA during the negotiations process.

The effect of the County's proposal on Sheriff's Officers at each level and their movement during the term of the County's proposed agreement is set forth below.

Specifically, the County proposes to provide the 27 Officers who earned \$20,784 in 1998 with the following increases:

	Salary	Amount of Increase	Percent
1998	\$20,784		
1999	\$23,569	\$2,785	13.4%
2000	\$25,454	\$1,885	8%
2001	\$27,490	\$2,036	8%
2002	\$29,689	\$2,199	8%
2003	\$31,070	\$1,381	4.65%

Under the County's proposal, these Officers would receive increases totaling \$10,286 or 49.48% over the life of the agreement. Likewise, the County proposes to provide the 36 Officers who earned \$23,214 in 1998 with the following increases:

	Salary	Amount of Increase	Percent
1998	\$21,823		
1999	\$23,569	\$1,746	8%
2000	\$25,454	\$1,885	8%
2001	\$27,490	\$2,036	8%
2002	\$29,689	\$2,199	8%
2003	\$31,070	\$1,381	4.65%

These Sheriff's Officers would receive increases totaling \$9,247 or 42.37% over the life of the agreement. Continuing to the next level, the County proposes to provide the seven Sheriff's Officers earning \$23,214 in 1998 with the following increases:

	Salary	Amount of Increase	Percent
1998	\$23,214		
1999	\$25,071	\$1,857	8%
2000	\$27,077	\$2,006	8%
2001	\$28,792	\$1,895	7%
2002	\$30,710	\$1,738	6%
2003	\$32,157	\$1,447	4.71%

The seven Sheriff's Officers at this level would receive increases totaling \$8,943 or 38.52% over the life of the agreement. The single Sheriff's Officer

earning \$23,529 in 1998 would receive an increase of \$1542 in 1999, then would receive the same increases as the seven Officers detailed below.

At the next level, the County proposes to provide the 12 Sheriff's Officers earning \$23,860 in 1998 with the following increases:

	Salary	Amount of Increase	Percent
1998	\$23,860		
1999	\$25,071	\$1,211	5.08%
2000	\$27,077	\$2,006	8%
2001	\$28,792	\$1,895	7%
2002	\$30,710	\$1,738	6%
2003	\$32,157	\$1,447	4.71%

These Sheriff's Officers would receive increases totaling \$8,297 or 34.77% over the life of the agreement. Continuing to the next level, the County proposes to provide the nine Sheriff's Officers earning \$25,269 in 1998 with the following increases:

	Salary	Amount of Increase	Percent
1998	\$25,269		
1999	\$26,532	\$1,303	5%
2000	\$40,000	\$13,468	50.76%
2001	\$41,200	\$1,200	3%
2002	\$42,436	\$1,236	3%
2003	\$43,709	\$1,273	3%

These Sheriff's Officers would receive increases totaling \$18,480 or 73.25% over the life of the agreement. Continuing to the next level, the County

proposes to provide the nine Sheriff's Officers earning \$32,702 in 1998 with the following increases:

	Salary	Amount of Increase	Percent
1998	\$32,702		
1999	\$34,010	\$1,308	4%
2000	\$40,000	\$5,770	17.61%
2001	\$41,200	\$1,200	3%
2002	\$42,436	\$1,236	3%
2003	\$43,709	\$1,237	3%

As of February 2000, there were an additional 35 Sheriff's Officers, 28 of whom earned \$40,094 based upon 1998 salaries. Two Sheriff's Officers earn \$43,788 based on 1998 salaries and the remaining five Officers earn \$45,826 based upon 1998 salaries. The County proposes to increase their salaries by 3% in each year of the agreement.² That would increase their salaries by a total of 15.93% to \$46,480, \$50,763, and \$53,125 respectively by 2003.

The overall five year impact of the County's proposal is restated as follows.

² The actual percentage increases for the two Officers earning \$43,788 in 1998 would be 3% in 1999, 3% in 2000, 2.94% in 2001, 3.06% in 2002 and 3% in 2003.

1999

LEVEL	NEW BASE 1/1/99	AMT. OF INCR. 1/1/99	ACT % 1/1/99	CURRENT # OF EMPLOYEES	TOTAL SALARY COST
1	\$20,784	\$0	0.00	0	\$0
2	\$23,569	\$2,785	13.40	27	\$636,363
2	\$23,569	\$1,746	8.00	36	\$848,484
3	\$25,071	\$1,857	8.00	7	\$175,497
3	\$25,071	\$1,542	6.55	1	\$25,071
3	\$25,071	\$1,211	5.08	12	\$300,852
4	\$25,901	\$1,694	7.00	9	\$233,109
5	\$26,532	\$1,303	5.16	12	\$318,384
5	\$26,532	\$1,303	5.16	0	\$0
5	\$26,532	\$1,263	5.00	9	\$238,788
6	\$34,010	\$1,308	4.00	9	\$306,090
7	\$41,297	\$1,203	3.00	28	\$1,156,316
8	\$45,102	\$1,314	3.00	2	\$90,204
9	\$47,201	\$1,375	3.00	5	\$236,005
9	\$47,201	\$1,375	3.00	0	\$0

2000

LEVEL	NEW BASE 1/1/00	AMT. OF INCR. 1/1/00	ACT % 1/1/00	CURRENT # OF EMPLOYEES	TOTAL SALARY COST
1	\$20,784	\$0	0.00	0	\$0
2	\$24,000	\$3,216	15.47	0	\$0
3	\$25,454	\$1,885	8.00	27	\$687,258
3	\$25,454	\$1,885	8.00	36	\$916,344
4	\$27,077	\$2,006	8.00	7	\$189,539
4	\$27,077	\$2,006	8.00	1	\$27,077
4	\$27,077	\$2,006	8.00	12	\$324,924
5	\$27,714	\$1,813	7.00	9	\$249,426
6	\$28,124	\$1,592	6.00	12	\$337,488
6	\$28,124	\$1,592	6.00	0	\$0
7	\$40,000	\$13,468	50.76	9	\$360,000
7	\$40,000	\$5,990	17.61	9	\$360,000
8	\$42,536	\$1,239	3.00	28	\$1,919,008
9	\$46,455	\$1,353	3.00	2	\$92,910
10	\$48,617	\$1,416	3.00	5	\$243,085
10	\$48,617	\$1,416	3.00	0	\$0

2001

LEVEL	NEW BASE 1/1/01	AMT. OF INCR. 1/1/01	ACT % 1/1/01	CURRENT # OF EMPLOYEES	TOTAL SALARY COST
1	\$20,784	\$0	0.00	0	\$0
2	\$25,000	\$4,216	20.28	0	\$0
3	\$26,000	\$2,000	8.33	0	\$0
4	\$27,490	\$2,036	8.00	27	\$742,230
4	\$27,490	\$2,036	8.00	36	\$989,640
5	\$28,972	\$1,895	7.00	7	\$202,804
5	\$28,972	\$1,895	7.00	1	\$28,972
5	\$28,972	\$1,895	7.00	12	\$347,664
6	\$29,811	\$2,097	7.57	9	\$268,299
6	\$29,811	\$1,687	6.00	1	\$29,811
7	\$41,200	\$13,076	46.49	11	\$453,200
7	\$41,200	\$1,200	3.00	9	\$370,800
7	\$41,200	\$1,200	3.00	9	\$370,800
8	\$43,812	\$1,276	3.00	28	\$1,226,736
9	\$47,819	\$1,364	2.94	2	\$95,638
10	\$50,075	\$1,458	3.00	5	\$250,375
10	\$50,075	\$1,458	3.00	0	\$0

2002

LEVEL	NEW BASE 1/1/02	AMT. OF INCR. 1/1/02	ACT % 1/1/02	CURRENT # OF EMPLOYEES	TOTAL SALARY COST
1	\$20,784	\$0	0.00	0	\$0
2	\$25,500	\$4,716	22.69	0	\$0
3	\$27,000	\$2,000	8.00	0	\$0
4	\$28,080	\$2,080	8.00	0	\$0
5	\$26,689	\$2,199	8.00	27	\$801,603
5	\$26,689	\$2,199	8.00	36	\$1,068,804
6	\$30,710	\$1,738	6.00	7	\$214,970
6	\$30,710	\$1,738	6.00	1	\$30,710
6	\$30,710	\$1,738	6.00	12	\$368,520
7	\$31,600	\$1,789	6.00	9	\$284,400
8	\$42,436	\$12,625	42.35	1	\$42,436
8	\$42,436	\$1,236	3.00	11	\$466,796
8	\$42,436	\$1,236	3.00	9	\$381,924
8	\$42,436	\$1,236	3.00	9	\$381,924
10	\$45,126	\$1,314	3.00	28	\$1,263,528
11	\$49,284	\$1,465	3.06	2	\$98,568
12	\$51,577	\$1,502	3.00	5	\$257,885
12	\$51,577	\$1,502	3.00	0	\$0

2003

LEVEL	NEW BASE 1/1/03	AMT. OF INCR. 1/1/03	ACT % 1/1/03	CURRENT # OF EMPLOYEES	TOTAL SALARY COST
1	\$20,784	\$0	0.00	0	\$0
2	\$27,053	\$6,269	30.16	0	\$0
3	\$28,000	\$2,500	9.80	0	\$0
4	\$28,980	\$1,980	7.33	0	\$0
5	\$30,019	\$1,939	6.91	0	\$0
6	\$31,070	\$1,381	4.65	27	\$838,890
6	\$31,070	\$1,381	4.65	36	\$1,118,520
7	\$32,157	\$1,447	4.71	7	\$225,099
7	\$32,157	\$1,447	4.71	1	\$32,157
7	\$32,157	\$1,447	4.71	12	\$385,884
8	\$33,283	\$1,683	5.33	9	\$299,547
9	\$43,709	\$1,273	3.00	1	\$43,709
9	\$43,709	\$1,273	3.00	11	\$480,799
9	\$43,709	\$1,273	3.00	9	\$393,381
9	\$43,709	\$1,273	3.00	9	\$393,381
10	\$46,480	\$1,354	3.00	28	\$1,301,440
11	\$50,763	\$1,479	3.00	2	\$101,526
12	\$53,125	\$1,548	3.00	5	\$265,625
12	\$53,125	\$1,548	3.00	0	\$0

Based upon a total annualized base salary figure of \$4,300,831 on December 31, 1998, the cost of the County's proposed increases in 1999 is \$264,332, in 2000 is \$413,896, in 2001 is \$397,910, in 2002 is \$285,099 and in 2003 is \$217,890.

The PBA also proposes to rationalize the pay system for Sheriff's Officers and to increase salaries more dramatically at the lower levels than at the top. To that end, the PBA proposes the following increases but only through 2002 rather than through 2003.

1998	1999	2000	2001	2002
\$45,826	\$47,201	\$48,617	\$50,076	\$50,076
\$43,788	\$45,352	\$46,963	\$48,622	\$50,076
\$40,094	\$41,797	\$43,551	\$45,358	\$46,718
	\$35,000	\$38,500	\$42,000	\$43,811
\$25,269	\$29,000	\$35,000	\$38,500	\$42,000
\$24,207				
\$23,860	\$26,500	\$29,000	\$35,000	\$38,500
\$23,214				
\$21,823	\$23,000	\$26,500	\$29,000	\$35,000
\$20,784				

The difference between the cost of the County's proposal and the PBA's is \$6,712 in 1999, \$71,011 in 2000, \$180,235 in 2001 and \$412,237 in 2002 for a total of \$670,195. Cumulative costs resulting from the effect on overtime, longevity and other benefits would add to the difference.

The PBA also proposes to begin automatic step increases on December 31, 2002. According to the PBA, automatic step increases would provide Sheriff's Officers with incentive to remain employed by the County and to improve performance. The PBA cites the Award of Arbitrator Mason, which provided a 12-step automatic increment system to Investigators in the Prosecutor's Office. Additionally, the PBA asserts that an automatic increment system would help to improve current poor salary levels. The PBA points out that Hudson County is the only county in the State where Sheriff's Officers do not have an automatic increment system.

The County vigorously opposes the addition of an automatic increment system, pointing out that none of its non-law enforcement bargaining units have automatic step increases and they are entering negotiations at the end of 2000. Additionally, the County points out that under its salary proposal, Sheriff's Officers with low seniority would receive increases for one year ranging from 20.28% to 31.16%. The County points to similar large increases it has proposed to rationalize the salary structure. The County has proposed that the issue of further salary increments, increases or adjustments be held pending the negotiation of a successor agreement.

In making a reasonable determination of the salary issue it is clear that the existing salary system for Sheriff's Officers requires substantial modification. Both parties recognize this fact as reflected in their last offers.

In evaluating the merits of the last offers in relation to the statutory criteria, the record reflects that more substantial weight must be given to the continuity and stability of employment, internal and external comparability and the financial impact of the terms of the Award. While the other criteria are not irrelevant, they must be given less weight. For example, the parties' last offers are above the cost of living due to the compelling need to restructure the existing salary system. This factor, while tending to support the County's contention that the PBA's demands are overly generous and should not be granted as proposed, is nevertheless not dispositive of a result. The criterion speaking to the interests

and welfare of the public is relevant but tends to be more related in this instance to the continuity and stability of employment. The terms of the award must enhance the continuity and stability of employment. The lack of continuity and stability is inconsistent with the interests and welfare of the public because of the high costs of turnover and the fact that new employees with less experience cannot be as well trained as those who have performed demanding tasks over a lengthier period of time. Simply put, the new Agreement must address the issue of employee retention. The overall compensation presently received inclusive of all benefits is not irrelevant in this instance but to the extent that direct wages need to be addressed, the overall benefits received are less relevant than the issues relating to determining the direct wages of unit employees. The stipulations of the parties have been received and are incorporated herein.

The statutory criterion central to this Award is the continuity and stability of employment. As acknowledged by both parties, the turnover rate among Sheriff's Officers has resulted in excessive replacement costs to the Sheriff's Office, low staffing rates and a dearth of experienced Officers. In an August 19, 1999 memo, Sheriff Cassidy calculated that the cost of training a new Sheriff's Officer was \$12,100.00 and the County had spent a total of \$496,100.00 over the past three years for the 41 individuals who graduated from the Academy. The Sheriff also calculated the costs for an additional 25 individuals who left the County's employ before completing the Academy to be \$91,750.00. Further, the Sheriff calculated the indirect costs of filling 79 vacancies to be \$300,290.00 as

well as \$300,000 in overtime necessary to compensate for the staffing shortage for three years. According to the Sheriff, the total cost of turnover for the three-year period prior to August of 1999 was \$1,198,140.00.

Sheriff Cassidy also testified that low salaries reduced his ability to fill current vacancies. According to Sheriff Cassidy, out of 207 individuals who were certified for the position of Sheriff's Officer, 93 responded that they were interested in employment. Of those who were not interested, approximately 50 individuals advised the Sheriff in writing that they were not interested in the position because the salary was too low. Of the 93 who responded that they were interested in employment, an additional 18 turned down the job at some point in the process due to the low salary. The Sheriff also testified that the recent round of hiring in 1999, was the third round of hiring in that year. Additionally, three rounds of hiring were required in 1997 and in 1998. Further, the Sheriff testified that the extraordinary turnover rate and poor salaries had contributed to poor morale among Sheriff's Officers. The testimony of the Sheriff's Officers supported this conclusion as well.

The high turnover rate is also reflected in the roster of Sheriff's Officers. As of December 31, 1998, 27 Officers earn \$20,784 and 36 earn \$21,823. Out of 157 Officers, 63 or 40% of the officers earn \$21,823 or less. Testimony reflects that many of these officers participation in public financial assistance programs. The fact that only 7 officers are on the next salary level of \$23,214 and 1 at the

next level of \$23,529 reflects that the base salaries need to be substantially improved. The turnover rate has also contributed to a large number of salary levels among officers who remain employed over time. As of December 31, 1998, there were at least 14 different salaries earned by the 157 Sheriff's Officers.

A more rational salary structure is required and one which substantially reduces the number of salary levels. But the need to improve base levels and reduce the number of salary levels must also not ignore the need to provide reasonable increases to experienced Sheriff's Officers whose salaries have been shown, by comparability evidence introduced into the record, to be at the low end of salaries for Sheriff's Officers within the State of New Jersey. These interests must be addressed with due regard for the total net economic change which must not adversely impact the governing body, its residents and taxpayers.

As a preface to making a reasonable determination of the salary issue, I restate below a comparison of the last wage offers of the parties. The PBA's wage proposal is effective thorough December 31, 2002 while the County's wage proposal is effective through December 31, 2003.

COMPARISON OF WAGE OFFERS

Current No. of Employees	PBA Proposal 2002	County Proposal 2002	County Proposal 2003
0		28,080	
0		29,689	30,019
63	35,000	30,710	31,070
20	38,500	31,600	32,157
9	42,100	42,436	33,283
30	43,811	42,436	43,709
28	46,718	45,124	46,480
2	50,076	49,284	50,763
5	50,076	51,577	53,125

At the outset, I conclude that an agreement which expires December 31, 2002 (a four year agreement) is the more reasonable approach to determining the wage issue. The four year approach provides for a period of stability but also provides for an earlier renewal of efforts to modify the salary structure. The terms of this award must provide for an increase in starting salary, a reduction in the number of salary levels for all employees and a structure which enhances the opportunity to address the issue of wage progression within the salary levels. The increases in starting salaries and the reduction in the number of salary levels requires a net economic change which well exceeds the statewide average increase in law enforcement salaries. The costs of a wage progression are substantial and simply cannot be accommodated along with the salary restructuring which is provided for herein. The PBA has sought to minimize the cost impact of an automatic step system by proposing that such a system be awarded but effective on the last date of the agreement. The impact of its cost cannot be ignored whether it is effective on the last date of this agreement or considered as part of the costs of a successor agreement. I do not reject an

automatic step system on its merits. The PBA has offered many appealing arguments in support of such a system. I conclude, however, that these arguments must be carried forward into the negotiations for the next agreement. Given the total net economic change which this award represents, the automatic step system cannot be accommodated. The award does significantly reduce the number of salary levels by grouping employees at various salary levels into certain single steps. For this reason, the cost of this award in percentage terms is greater than prior settlements or awards between the parties. Although the exact cost of awarding an automatic step system cannot be precisely calculated into 2003, it appears that the total net economic change coupled with the awarded increases for 2002 would require an award for that year in the neighborhood of 13% to 15%. A deferring of this issue into negotiations for 2003 (by denial of its inclusion in the 1999-2002 agreement) would give the parties the benefit of a new scattergram of employees to measure costs and a more rational salary system with substantially fewer levels of salaries from which to negotiate the issue of an automatic step system.

Given all of the above, I conclude that a reasonable determination of the salary issue is represented by the following salary structures:

BASE SALARIES 1999-2002

LEVEL	NEW BASE 1/1/99	NEW BASE 1/1/00	NEW BASE 1/1/01	NEW BASE 1/1/02
1	20,784	23,500	23,500	25,000
2	23,900	25,800	25,800	27,500
3	25,500	27,540	27,864	30,093
4	27,000	29,160	31,492	32,122
5	27,000	31,000	41,600	36,731
6	35,000	40,000	41,600	43,264
7	41,700	43,368	45,098	46,901
8	45,000	46,800	49,254	51,229
9	47,500	49,400	51,547	53,608

The parties have given much attention to the manner in which the salary levels should be compressed. The following charts reflect the current number of employees and their salaries at each level for each year of the new agreement. The identification of employees tracks the employees identified in the County's last offer.

1999

LEVEL	NEW BASE 1/1/99	CURRENT # OF EMPLOYEES
1	20,784	0
2	23,900	27
2	23,900	36
3	25,500	7
3	25,500	1
3	25,500	12
4	27,000	9
5	27,000	12
5	27,000	0
5	27,000	9
6	35,000	9
7	41,700	28
8	45,000	2
9	47,500	5

2000

LEVEL	NEW BASE 1/1/00	CURRENT # OF EMPLOYEES
1	23,500	0
2	25,800	27
2	25,800	36
3	27,540	7
3	27,540	1
3	27,540	12
4	29,160	9
4	29,160	12
5	31,000	9
6	40,000	9
7	43,368	28
8	46,800	2
9	49,400	5

2001

LEVEL	NEW BASE 1/1/01	CURRENT # OF EMPLOYEES
1	23,500	0
2	25,800	0
3	27,864	27
3	27,864	36
4	29,743	7
4	29,743	1
5	31,492	12
5	31,492	9
6	41,600	1
6	41,600	11
6	41,600	9
6	41,600	9
7	45,098	28
8	49,254	2
9	51,547	5

2002

LEVEL	NEW BASE 1/1/02	CURRENT # OF EMPLOYEES
1	25,000	0
2	27,500	0
3	30,093	27
3	30,093	36
4	32,122	7
4	32,122	1
5	36,731	12
5	36,731	9
6	43,264	1
6	43,264	11
6	43,264	9
6	43,264	9
7	46,901	28
8	51,229	2
9	53,608	5

The salary structure awarded is for a four year period and does not include automatic step movement. It does substantially raise the starting salary, reduce the number of salary levels and creates a progressive wage structure. Some employees will receive greater increases than others which is an inevitable consequence of meeting the stated objectives. The parties last offers also reflect the need to provide differentiated wage increases. Employees at levels 7, 8 and 9 will receive 4% increases annually compared with the 3% increases proposed by the County.

The overall costs of the terms of the Award above the County's last offer are \$70,637 for 1999, \$3,395 in 2000, \$108,921 in 2001 and \$258,309 in 2002.

The difference between the terms of the Award and the PBA's last offer is \$63,725 more in 1999, \$66,606 less in 2000, \$71,314 less in 2001 and \$153,928 less in 2002. The anomaly of the Award being more than the PBA's last offer in 1999 is explained by the sharp and costly backloading of the PBA's four year proposal which proposes even less than (\$23,000) offered by the County (\$23,569) for 63 of the 157 Sheriff's Officers. Thus, the County offers \$35,847 more than the PBA for employees who were at levels 1 and 2 in 1998. When the offers for employees at this level are compared in 2002, it reflects that the PBA has proposed \$334,593 more for these same employees than the County (\$35,000 vs. \$29,689) while the Award in 2002 is \$25,452 more than the County's last offer for these employees and \$309,141 less than proposed by the PBA. These figures do not include the cost of automatic increments proposed by the PBA.

In sum, the Award is \$441,446 more than the County's proposal but \$228,729 less than the PBA's proposal. The costs of the PBA's proposal is understated due to the annualized cost of its proposal to add an automatic step system on the last day of the four year agreement. That cost is approximately \$536,944 or an additional 9.5% above the PBA's last offer. When these costs are added the Award is \$441,466 more than the County's offer over four years but \$765,673 less than the PBA's.

This Award is well within the limitations of the Cap Law. Deputy Director Frazee stated in his Certification that the County Cap, which limits the amount that may be raised through taxation, but not the amount that may be spent, was 3.5% in 1996 and has decreased to 1.5% in 1998 and in 1999. According to the Ezyske report, the County increased the Cap index rate from 2.5% in 1996 to 5% in 1997, and it has returned to 2.5% for 1998 and 1999. The County had a Cap bank of \$4,952,903 in 1999. This award, with a total cost over four years of \$441,466 above the County's proposal but \$228,729 less than the PBA's proposal or if the increment proposal is calculated, and is well within the confines of the Cap Law.

The Award will not negatively impact on the County, its residents and taxpayers. The County experienced significant financial difficulties throughout the 1990's that resulted in continuing structural deficits, that have been resolved through one time non-recurring solutions, including the sale of County property, deferral of pension payments and one-time changes in State reimbursement formulas. Despite the County's past financial difficulties, both the County and the PBA recognize that several factors contribute to the need to provide above average wage increases to Sheriff's Officers. First, the County has begun to recover its financial footing and had a surplus of \$11,600,000 in 1998, which was projected in the 1999 budget to increase to \$18,000,000. Second, though partially due to State aid, the parties agree that the projected structural deficit for 2000 would be virtually zero, as it was in 1998. More significantly, this Award

should result in decreased turnover. That, in turn should cut dramatically, the current annual \$1,200,000 cost of replacing the steady stream of Sheriff's Officers leaving the department in search of higher salaries. In contrast, the PBA's proposal has a potential for adversely affecting the County's finances. Its cost is approximately \$1,200,000 more than the County's last offer or over 20% more than the County's offer of 31.65% over the four years.

Accordingly, I respectfully submit the following Award.

AWARD

1. The terms of the existing labor agreement shall be carried forward without modification except for those provided herein, and any proposals and counterproposals not contained in this Award shall be deemed withdrawn.
2. **Duration** -- January 1, 1999 through December 31, 2002
3. **Article VIII Overtime--Court Appearances**

The County shall pay all employees for appearance in Municipal Court, Superior Court, Juvenile Court, Grand Jury and ABC Proceedings while off duty time and one half (1½) with a four (4) hour minimum. The employee shall submit in writing all time spent at the appearance to the officer in charge. Employees may not be retained for the purposes of obtaining the minimum of four (4) hours if the appearance requires less time.
4. **Article XIX - Dues Check-off**

a. Upon the request of PBA 334, the County shall deduct a monthly representation fee from each employee who is not a member of PBA 334. The County shall deduct such fee pursuant to the provision of this article and upon notification by PBA 334. The amount of said representation fee shall be certified to the County by PBA 334, which amount shall not exceed 85 percent of the regular membership duties, fees and assessments charged by PBA 334 to its members.

b. The Union shall establish and maintain at all times a demand and return system as provided by N.J.S.A. 34:13A-5.5 and 5.6 (L. 1979 c. 477). Membership in the Union shall be available to all employees in the unit on an equal basis at all times. In the event the Union fails to maintain such a system, or if membership is not so available on an equal basis, the Employer shall immediately cease making such deductions.

5. **Article XVII - Injury on Duty**

Members covered under this Agreement will be paid their regular straight time rate of pay for a period not in excess of 52 weeks, for each new and separate service-connected sickness, injury or disability, commencing on the first day of every such service-connected injury or disability. Temporary disability benefits paid by Worker's Compensation Insurance (WCI) to the member will be paid over to the County. Intentional self-inflicted injuries or those service connected injuries or disabilities resulting from gross negligence shall not be covered by the provisions of this Section. Any member who accepts outside employment where physical demands are equal to or greater than his or her normal police activities during the periods of service connected sickness, injury or disability leave shall be deemed physically fit to return to duty and shall be subject to loss of service-connected sickness, injury or disability pay. When such sickness, injury or disability leave is granted, the member shall not be charged with any sick leave time for such time lost due to such sickness, injury or disability.

6. **Article VIII - Overtime**

When the need for overtime occurs in a particular unit within a division of the Sheriff's Office, it shall be accomplished by members of that unit where possible. If the need for overtime cannot be met by members of that unit, it shall be filled by members of the division.

In emergent situations, where overtime cannot be filled by members of the division, it shall be assigned out of division with the approval of the Sheriff or his designee.

Unit and division commanders shall make all attempts to keep overtime equitable, i.e., use of a rotating list when possible.

7. Article X - Sick Leave

1. New employees shall receive one working day for the initial month of employment if they begin work on the 1st through the 8th day of the calendar month, and one-half working day if they begin on the 9th through the 23rd of the month. Employees who begin to work after the 23rd of the month are not entitled to any sick leave for that month.

2. After the initial month of employment and up to the end of the first calendar year, employees shall be credited with one working day for each month of service.

3. After the first calendar year of service, employees shall receive 15 working days of sick leave at the beginning of each calendar year in the anticipation of continued employment.

a. Employees shall be entitled to use accrued sick leave when they are unable to perform their duties by reason of: (1) personal illness, injury or exposure to contagious diseases; or (2) illness, injury, or exposure to contagious disease on the part of the member's spouse, child, legal ward, grandchild, foster child, father, mother, legal guardian, grandfather, grandmother, brother, sister, father-in-law, mother-in-law, and other relatives residing in the member's household.

b. Unused sick leave shall accumulate from year to year without limit.

c. Verification of Sick Leave

i. A member who shall be absent on sick leave may be required to submit acceptable medical evidence substantiating the need for sick leave. Abuse of sick leave shall be cause for disciplinary action.

ii. In the case of a member utilizing sick leave to attend to a sick or injured relative, the member may be required to supply acceptable medical evidence that: a) the relative was sick or injured, and b) the member's presence was required.

iii. In the case of leave of absence due to exposure to contagious disease, a certificate from the Department of Health or the employee's personal physician, if he or she so desires may be required.

iv. The County may require a member who has been absent because of personal illness, as a condition of his or her return to duty, to be examined by a County physician. Such examination shall establish whether the member is capable of performing his or her normal duties and that his or her return will not jeopardize the health of the member or other employees.

v. Failure to provide verification may result in denial of sick leave and may result in disciplinary action. Abuse of sick leave or chronic or excessive absenteeism will result in discipline up to and including discharge. Abuse includes using sick leave when you are not ill.

8. New Article - Probationary Employees

The County shall provide a probationary employee with a copy of such written disciplinary notice(s) as may be issued involving said probationary employee at the time such notice is issued. Such disciplinary actions shall not be subject to the grievance and arbitration provisions of this Agreement.

9. New Article - Safety Committee

A joint Safety Committee between the PBA and the County shall be established for the purpose of maintaining a safe and health work environment. In the event of a safety and/or health incident, the County will temporarily release members of the Committee from the their duties for the purpose of investigating the incident during regular working hours. Such release will not be automatic, however it will not be unreasonably denied.

The Committee may make non-binding, advisory recommendations to the County pursuant to the Committee's investigation. The implementation of such recommendations will be at the discretion of the County.

The PBA and the County shall each designate one (1) person to serve as a member of the Safety Committee. The PBA and the County shall also jointly designate one Sheriff's Officer to serve as an alternate member of

the Safety Committee. Such alternate member shall serve on the Committee only when either of the other two designated Sheriff's Officers is unable to investigate an incident.

10. **Perfect Attendance**

Annual Perfect Attendance Incentive Program - commencing January 1, 2002 a Sheriff's Officer who does not utilize sick leave in any amount during a calendar year shall receive a \$500 bonus not added to base.

11. **Direct Deposit Program**

The County shall provide a direct deposit program conditioned upon the elimination of early release of paychecks with the PBA having the option of selecting this program based upon this condition. The PBA shall inform the County within fourteen (14) days of this Award.

12. **Work Schedule**

Effective July 1, 2001 (or the beginning of the next work cycle immediately thereafter) Sheriff's Officers assigned to the Patrol Bureau shall work a 5-2, 5-3 work schedule.

13. **Clothing Allowance**

There shall be an increase in clothing allowance by an additional \$50 in each year of the Agreement commencing in contract year January 1, 2001 for a total of \$100.

14. **Retroactivity**

The compensation elements of this Award are retroactive to their effective dates for all Sheriff's Officers who are currently employed, as well as those who retired or are on medical leave.

15. **Credit For Previous County Service**

The PBA identified nine Sheriff's Officers who were previously employed by the County and were not given credit when hired by the Sheriff's Office. The PBA estimates the total cost of that benefit to be \$13,426. These

nine employees shall be given credit for their prior County time retroactive to January 1, 1999 at a cost not to exceed \$13,426.

16. **Salary**

The following salary structure shall be incorporated into the Agreement.

1999

LEVEL	NEW BASE 1/1/99	CURRENT # OF EMPLOYEES
1	20,784	0
2	23,900	27
2	23,900	36
3	25,500	7
3	25,500	1
3	25,500	12
4	27,000	9
5	27,000	12
5	27,000	0
5	27,000	9
6	35,000	9
7	41,700	28
8	45,000	2
9	47,500	5

2000

LEVEL	NEW BASE 1/1/00	CURRENT # OF EMPLOYEES
1	23,500	0
2	25,800	27
2	25,800	36
3	27,540	7
3	27,540	1
3	27,540	12
4	29,160	9
4	29,160	12
5	31,000	9
6	40,000	9
7	43,368	28
8	46,800	2
9	49,400	5

2001

LEVEL	NEW BASE 1/1/01	CURRENT # OF EMPLOYEES
1	23,500	0
2	25,800	0
3	27,864	27
3	27,864	36
4	29,743	7
4	29,743	1
5	31,492	12
5	31,492	9
6	41,600	1
6	41,600	11
6	41,600	9
6	41,600	9
7	45,098	28
8	49,254	2
9	51,547	5

2002

LEVEL	NEW BASE 1/1/02	CURRENT # OF EMPLOYEES
1	25,000	0
2	27,500	0
3	30,093	27
3	30,093	36
4	32,122	7
4	32,122	1
5	36,731	12
5	36,731	9
6	43,264	1
6	43,264	11
6	43,264	9
6	43,264	9
7	46,901	28
8	51,229	2
9	53,608	5

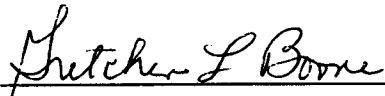
It is understood and agreed that upon the expiration of this Agreement, i.e., December 31, 2002, employees shall remain at the salaries they are then receiving, and shall be entitled to no further salary increment, increase or adjustment pending the negotiation of a successor Agreement.

Dated: February 26, 2001
Sea Girt, New Jersey


James W. Mastriani

State of New Jersey }
County of Monmouth }ss:

On this 26th day of February, 2001, 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
Commission Expires 8/13/2003