

**NEW JERSEY PUBLIC EMPLOYMENT RELATIONS COMMISSION**

In the Matter of Arbitration Between:

---

**COUNTY OF BURLINGTON**

"Public Employer,"

- and -

**PBA LOCAL 249, CORRECTIONS**

"Union."

---

**INTEREST ARBITRATION  
DECISION AND  
AWARD**

Docket No. IA-2005-044

**Before  
James W. Mastriani  
Arbitrator**

Appearances:

**For the Employer:**

Alan Schmoll, Esq.  
Capehart & Scatchard

Kendall J. Collins  
Assistant County Solicitor  
On the brief

**For the Union:**

Richard D. Loccke, Esq.  
Loccke, Correia, Schlager,  
Limsky & Bukosky

Pursuant to a petition to initiate compulsory interest arbitration filed by PBA Local 249 [the "PBA"] I was designated to serve as interest arbitrator by the New Jersey Public Employment Relations Commission on March 2, 2005. The PBA is party to a collective bargaining agreement [the "Agreement"] with the public employer, the County of Burlington [the "County"] which expired on December 31, 2004. The negotiations unit consists of Corrections Officers in the County's Department of Corrections.

I conducted mediation sessions with the parties on June 2, 2005, July 14, 2005, January 18, 2006 and April 20, 2006. Although the number of issues in dispute was substantially narrowed during the mediation sessions, the impasse continued. An interest arbitration hearing was held on May 30, 2006 at the County's offices. At the hearing the PBA presented its case through a PowerPoint presentation, documentary evidence and the testimony of Corrections Officer Vernon Scott, past President of Local 249. The County presented its case through the testimony of Juel Cole, Warden/Administrator, Daniel Hornickel, Director of Human Resources and documentary evidence. Post-hearing briefs were filed by both parties and received on July 5, 2006.

## **FINAL OFFERS OF THE PARTIES**

The statute requires each party to submit a last or final offer on the issues in dispute. The silence of one party on an issue proposed by the other party is deemed a rejection of that proposal by that party without making a direct counter-proposal of its own. I have set forth below the last or final offer of each party.

### **The Last Offer of the PBA**

The PBA's last offer was as follows:

1. Term 4 years (January 1, 2005 through December 31, 2008)
2. Wages 5% across the board effective January 1 of each year.
3. \$1,500 equity adjustment at each pay level effective January 1, each year

### **Last Offer of the Employer**

1. Term 4 years (January 1, 2005 through December 31, 2008)
2. Wages 4% across the board effective January 1 each year.
3. Health benefits:
  - Annual well child visits for children ages 7 to 18
  - Prescription and contraceptive medications
  - Increase co pays July 1, 2006, doctor's visits \$20, prescriptions: \$10 generic, \$15 brand name – no generic available, \$30 brand name, emergency room \$25 (no change).
  - Children will be covered through the end of the month in which they reach age 19 or if a dependent and a full time student to the age of 23.

## **BACKGROUND**

This negotiations unit consists of over 220 rank and file corrections officers. During 2006, the County has hired 42 new officers after having a period of understaffing. Testimony reflects that the County experienced difficulty in receiving an eligibility list from the New Jersey Department of Personnel. The unit is one of many negotiations units representing public employees in Burlington County. In Corrections there is a rank and file unit and a superior officer unit. There is also a sheriff's officer's unit of rank and file and superior officers, three negotiations units in the County Prosecutor's Office, a Detectives and Investigators unit, a Sergeants and Lieutenants unit and a clerical unit represented by CWA. In addition, there is a blue and white collar unit, a Superintendent of Elections unit and a Highway Supervisor's unit.

The County is the largest county in the State of New Jersey in area size. It covers 827 square miles in southern central New Jersey. Burlington County is surrounded by Mercer County to the north, Monmouth County to the northeast, Ocean County to the east and Camden County to the southwest. The County's primary source of revenue is county taxes. The taxes are apportioned among the County's 40 municipal political subdivisions. Many of the municipalities are small in population. Only the Townships of Willingboro, Evesham and Mount

Laurel have populations in excess of 30,000. Most of the corrections officers work in the County seat of Mount Holly which has a population of approximately 11,000.

All socio-economic indicators reflect that the County has experienced long-term expansion. It has doubled to approximately 450,000 residents between 1960 and the present. It is second in the State in farm area land but the official financial documents in the record reflect significant new development in housing and in industrial/office parks. Commercial growth includes a new Merck-Medco automated mail service facility in Willingboro that will employ 800 individuals. Revitalization plans have included the completion of a new rail service that provides light rail transportation for twelve municipalities in the Delaware River corridor of the County connecting its municipalities between the cities of Camden and Trenton. The County also houses two extremely active military installations, the Fort Dix Army Reserve Training Center and McGuire Air Force Base. Each facility employs 4,000 civilians. The County prides itself on offering a high quality of life in that it claims to "offer the advantages of life in a major metropolitan area without the drawbacks."

The record reflects that the County is well run and in sound operating condition. Its equalized valuations increased by over 50% between 2001 and 2005 to \$36,213,087,041. The County tax rate per

\$100 of equalized valuation has decreased from 0.48 in 2001 to 0.38 in 2005. The record includes many official budget documents including an abstract of ratables for Burlington County, reports of audit, annual debt statements, county budgets and annual financial statements.

Burlington County operates two correctional facilities. There is a detention center (main jail) in Mount Holly and a corrections and work release jail (minimum security) in Pemberton. The main jail houses inmates with all level of security classifications and inmates awaiting trial who have been unable to gain their release by posting bail. The minimum security jail includes work release inmates and those sentenced to a county jail for a term of less than one year and also the houses entire female population. The average inmate population is between 560 to 570. The main jail houses approximately 350 prisoners while the minimum security jail houses 210 inmates. There are 226 budgeted correction officer positions. In addition, there are approximately 33 superiors in the ranks of sergeant and lieutenant, 3 captains, a deputy warden and warden/jail administrator. The County maintains a low inmate to officer ratio of 2.51. The last correction officers' agreement was for the term January 1, 2001 to December 31, 2004. There has been significant turnover in the past and this last agreement addressed this problem through salary guide compression and increases to maximum salary. The

final offers of the parties each seek a new Agreement with a duration extending to December 31, 2008.

Against this general background the parties offered substantial evidence and arguments in support of their respective positions. These submissions were expert and complex, including official budget documents, socio-economic profiles of the County, operating conditions at the jails, administrative operations of the department, comparability data comparing the County, the department and the salary and benefit levels of the negotiating unit with other counties and other relevant statistical data on matters that are ordinarily and traditionally considered in the determination of wages and benefits. At the risk of oversimplification, by way of summary, I set forth the parties' positions.

### **The PBA's Position**

The PBA's position in this case can be summarized by one line contained in its post hearing argument: "The job is a difficult one and the pay is terrible." Through its PowerPoint presentation and the testimony of Officer Vernon Scott, the PBA presented evidence concerning the changing nature of the inmate population. According to the PBA, the inmate population has increased by approximately 50 from January 2000 when it was 452 to January 2003 when the facilities housed 500 inmates. The average population count of both facilities has hovered between 550

and 575 since 2004, with a high of 658 in September of 2004. In April of 2006, it was 598. A chart reflecting inmate to officer ratios was submitted into evidence.

**2005 NEW JERSEY COUNTY JAIL INMATE COUNT**

	Avg.	Total Approved Rank and File Staff	Ratio of Inmates to approved officer positions
Atlantic	1,282	140	9.16
Burlington	567	226	2.51
Camden	2,180	348	6.26
Cape May	246	63	3.90
Cumberland	684	123	5.56
Gloucester	338	124	2.73
Mercer	794		
Monmouth	1,230	310	3.97
Ocean	469	124	3.78
Salem	289		

Officer Scott testified that the nature of corrections work has become more complex and intense. He testified that more assaults on officers are occurring and more weapons are being found within the facilities. In addition, gang activity has increased significantly in the County as evidenced by a murder that occurred in Willingboro that was linked to the Bloods. This has led to more intense suppression of inmates. Officer Scott acknowledged that these problems are not unique to Burlington County and that Warden Juel Cole has an open door to the PBA on ways to improve working conditions including the easing of mandatory overtime.



The PBA emphasizes that the interest and welfare of the public are best served through the retention of skilled and trained correction officers. The PBA contends that the County has failed to realize this goal. It is claimed that turnover rates have been excessively high in recent years. The PBA offered a PowerPoint presentation submitting various charts depicting turnover rates. These are summarized in an exhibit indicating that for the period March 2001 through March 2006, the County experienced a turnover rate of 48%. This data is gleaned from 200 officers being hired, 104 still employed while 96 left during this time period. The PBA also points out that prior to the signing of the last contract between both parties the turnover rate was even higher. The PBA acknowledges that there has been a reduction in turnover but attributes this fact to the last contract that made significant strides towards increasing officer salaries to a more reasonable but still low level. The PBA seeks additional movement toward that goal in this contract. The County does not refute these statistics but points out that there are other factors causing turnover including more attractive law enforcement environments, retirements and disciplinary actions.

The PBA also submits that another factor affecting the turnover levels in addition to salary is the job and family stress that results from officers having to work an inordinate amount of mandatory overtime. The PBA contends that it is not uncommon to have 200 overtime shifts worked

per week. PBA Exhibit #4 reflects that there were 7,556 overtime shifts in 2005. For the first nine weeks of 2006, the number of overtime shifts ranged from 156 to 205, although this number has since been reduced due to hiring rates. Officer Scott testified to the impact on the lives of officers who are required to work so many overtime shifts, especially for those who do so on an involuntary basis requiring them to work double shifts. The PBA argues that the County has caused these large amounts of overtime due to its inability to attract and retain personnel, a failure that the PBA attributes to low compensation levels. The County attributes the problem to its inability to obtain authorization to hire due to civil service requirements.

The PBA argues that this case requires extraordinary treatment. That is why it has proposed not only an annual traditional across-the-board percentage increase of 5% but also "an equity adjustment of \$1,500" in each year of the four years of the Agreement. The PBA contends that this equity adjustment is not "ground breaking." It points to the Burlington County Prosecutor's Office detectives and investigators who received such adjustments annually in their current contract based upon stated criteria ranging from \$500- \$3,000.

The PBA also contends that equity adjustments have been established in other County agreements such as in the Burlington County

Sheriffs' Agreement. These adjustments are said to take two forms. Certain classifications of employees received an additional \$1,500 and other classifications of employees received both an across the board increase and guide compression. Similarly, types of equity adjustments are sought here. The County responds that the adjustments in the Sheriff's office was eliminated in the last contract.

In further support of its contention that correction officer's salaries fall short of their peers, the PBA submitted various law enforcement contracts into evidence and summaries of their terms. Chart No. 1, reproduced below, summarizes the maximum salaries of various corrections departments and municipal law enforcement agencies and the disparity in this unit:

**CHART NO. 1  
BASE WAGE COMPARISON BASED ON PBA EXHIBITS IN EVIDENCE**

	2005 Maximum
New Jersey Correction	\$68,688
Cape May County Correction	\$54,607
Delran	\$66,388
Edgewater Park	\$57,186
Evesham	\$77,968
Florence	\$63,907
Maple Shade	\$70,465
Mercer County Correction	\$69,868
Atlantic County Correction	\$51,900
Burlington City	\$70,020
Burlington Township	\$74,809
Camden County Correction	\$59,491
Middlesex County Correction	\$67,624
Morris County Correction	\$70,479
Mount Holly	\$67,897

Passaic County Correction	\$75,779
Sussex County Correction	\$57,489
Warren County Correction	\$52,251
Westampton Township	\$61,097
Willingboro	\$67,239
Average for 2005	\$65,307
<b>Burlington County Correction for 2004</b>	<b>\$50,742</b>
Increase required to bring Burlington County Correction to maximum to Average in 2005	\$14,559 28.7% In Percentage Increase

In addition, the PBA also presented comparisons to other county correction officers reflecting that the County's starting salary is approximately \$382 below average while its maximum salary is \$12, 613 below average:

County	Starting Salary	Maximum Salary
Burlington Co.	\$32,500.00	\$50,747.00
Camden Co.	\$32,057.00	\$59,491.00
Mercer Co.	\$29,975.00	\$72,838.00
Monmouth Co.	\$28,000.00	\$70,000.00
Atlantic Co.	\$29,000.00	\$54,400.00
Ocean Co.	\$30,638.00	\$72,242.00
Essex Co.	\$57,285.00	\$66,352.00
Warren Co.	\$32,500.00	\$54,341.00
Bergen Co.	\$31,000.00	\$87,400.00
Morris Co.	\$37,750.00	\$73,279.00
Salem Co.	\$26,665.60	\$39,332.80
Somerset Co.	\$38,118.00	\$69,153.00
Cape May Co.	\$26,066.00	\$57,338.00
Sussex Co.	\$28,796.00	\$60,131.00
Average	\$32,882.18	\$63,360.34
Plus or Minus	-382.18	-12,613.34

The PBA also presented charts comparing Burlington to surrounding counties indicating that the starting salary within the County is \$2,139 above average while, at maximum, the County is \$12,539 below average.

**SURROUNDING COUNTIES  
STARTING & MAXIMUM SALARIES**

<b>County</b>	<b>Starting Salary</b>	<b>Maximum Salary</b>
Burlington Co.	\$32,500.00	\$50,747.00
Camden Co.	\$32,057.00	\$59,491.00
Mercer Co.	\$29,975.00	\$72,838.00
Monmouth Co.	\$28,000.00	\$70,000.00
Atlantic Co.	\$29,000.00	\$54,400.00
Ocean Co.	\$30,638.00	\$72,242.00

**Average Starting Salary = \$30,361.66**

**Average Maximum Salary = \$63,286.33**

The PBA contends that Burlington correction officers rank near the bottom (15<sup>th</sup> out of 16) in salary compared to officers in other selected counties while other county personnel rank higher in comparison:

**CHART NO. 4  
RELATIVE POSITION OF BURLINGTON COUNTY  
POSITION BASED ON COMPENSATION AMONG THE 16  
CONTRACTS ON THE PBA LIST**

Clerk of the Board	1
Solicitor	2
Freeholder	9
Sheriff	10
Warden	12
<b>CORRECTION OFFICER</b>	<b>15</b>

The PBA contends that the County's salary offer is comparatively low. It submits average contract settlements based on its comparables in 2005 showing 4.701%, in 2006 showing 4.253%, in 2007 showing 4.279% and in 2008 showing 4.2%. Notwithstanding these figures, the PBA argues that even if these average increases were granted, its unit members would fall even farther behind the averages.

The PBA claims that some officers' salaries are so low that they are eligible for federal assistance. According to the PBA's analysis, officers at steps 1-4 of the salary guide, with a five person family, are eligible for assistance in programs such as free school lunches, energy assistance, WIC and low income housing. The PBA submits data reflecting average rent payments and homeowner costs in the County that are said to be beyond the reach of the officers.

The PBA argues that the County's health benefits proposals should not be awarded because they would cause a "double impact" to its already underpaid correctional staff by causing greater out-of-pocket payments. The PBA contends that the County did not meet its burden to support its position to modify the existing health benefits plan.

The PBA contends that the County's co-pays are already higher than the average in comparison to other counties. The PBA exhibits can be summarized as follows:

	Counties Average	Burlington Current	Proposed
Drs. Office	\$7.31	\$10.00	\$20.00
Generic	\$6.62	\$7.00	\$10.00
Brand Name	\$11.19	\$10.00	\$30.00

The PBA argues that the County can afford the PBA's final offer because there would be no negative impact upon the County taxpayers by the awarding its proposals. Through the presentation of various exhibits including the county budget, audit and annual financial statements the PBA contends the County is in a strong financial position and should continue to be able to regenerate surplus funds that it has utilized to maintain or reduce its tax rate. The exhibits reflect the following:

Fund Balance is the excess funds available for use as revenue in the budget to reduce tax levy.

Year	Balance	Utilized in Budget
2005	N/A	N/A
2004	\$24,634,549	\$14,775,000
2003	\$28,660,597	\$19,900,000
2002	\$24,668,997	\$15,403,000
2001	\$22,792,603	\$14,124,680

**% of Surplus Utilized in Budget**

N/A	n/a
\$14,775,000	59.98%
\$19,900,000	69.43%
\$15,403,000	62.43%
\$14,124,680	61.97%

**Tax Rate**  
(2004 Report of Audit Ex. T1 Tab 13)

Year	County
2005	
2004	.3947
2003	.4352
2002	.4627
2001	.4837
2000	.4928

In addition, the PBA notes that the County's property values have continued to increase as is reflected in the financial statements.

**Property Values**  
(2004 Report of Audit Ex. T1 Tab 13 2003 Abstract Ratables Ex. P43)

Year	Amount
2004	\$24,071,970,740
2003	\$23,468,676,090
2002	\$22,674,874,076
2001	\$22,033,182,622
2000	\$21,390,603,720

The PBA also contends "the County's CAP calculation is based on the levy and does not create any expenditure problems on the appropriation side of the budget."

The PBA believes that the awarding of its proposal will have a positive impact on the taxpayers and the County's budget because it will reduce turnover and therefore reduce the costs tied to recruiting and training new officers. The PBA also argues that awarding of its proposals will have a positive impact upon the continuity and stability of employment



while the awarding the County's wage and health benefits proposal will negatively impact that criterion and exacerbate an already high turnover rate.

Based upon all of the above, the County urges that its final offer be adopted in its entirety.

### **The County's Position**

The County contends that the testimony of PBA witness Officer Scott supports its arguments that the working environment in the facilities has significantly improved more recently as well as the morale of the correction officers. The County submits that its questioning of Officer Scott showed his acknowledgement of the following points:

1. The gang problem that exists in Burlington County is by no means unique. In fact, it is a State-wide problem and that other counties within New Jersey are facing similar, if not worse problems attributable to gang membership.
2. Only roughly half of all cells in the main jail hold 3 inmates and no cells have more than 3 inmates.
3. The Jail Administration relaxes minimum staffing requirements from time to time when overtime is "out of control", i.e., at Christmas time.
4. Warden Cole is receptive to the PBA's suggestions on a wide range of issues, including but not limited to means by which mandatory overtime can be alleviated.

5. The PBA does not know how many, if any, Burlington County Correction Officers are receiving some type of federal assistance, nor does the PBA know whether correction officers in other jurisdictions are receiving any type of federal assistance.
6. The Burlington County Corrections Department has one of the higher starting salaries as compared against the other 13 counties in the graph included in Exhibit U-1.
7. Facility improvements have also been made including the addition of a sally court at the main jail, an addition of 40 beds at the minimum security jail, the addition of video cameras and computers to facilitate monitoring of inmate activities and to improve communications, and an upgrade in the air conditioning at the main jail.

The County also argues that the PBA's concerns about salary were addressed by the last contract that substantially increased salaries for all officers and especially those at salary maximum. The County also contends that it has addressed involuntary overtime issues by the hiring of 42 additional officers in 2006. The County argued that as a result of its initiatives in hiring and the increases in salary in the last contract, there has been a positive impact upon officer turnover which has seen a significant reduction in the last year as well as improvements in the morale of the workforce.

The County asserts that the PBA's reliance on municipal law enforcement agencies for comparable salaries is misplaced. While recognizing the value of their services, the County contends that

correction officers do not require the same training nor do they have the same broad responsibilities that police officers at the municipal level perform and that their responsibilities differ even at the county level compared to sheriff officers, prosecutors, detectives and investigators. It points to testimony showing that municipal police officers and county sheriff officers are required to complete a 20 week training academy as compared to 8 – 10 weeks of training for correction officers. In addition, police officers and sheriff officers must all be weapons qualified and are required to carry their weapons with them at all times and have full arrest powers at all times. County prosecutors and investigators must hold a four year college degree or have significant experience as municipal police officers and must also attend standard police academy training and remain continually qualified to carry weapons and do so at all times. They also have full arrest powers. This is not to diminish the importance of the correction jobs but merely to show the accuracy of the PBA comparisons.

The County also contends that comparisons with other correction officers in other jurisdictions must be placed in the proper context through an evaluation of all relevant data that should be used for comparison purposes. The County believes that the PBA's use of data is too narrow and limiting. The County points out that Burlington County has one of the lowest inmate to officer ratios in the state at 2.5 to 1 [See Co. Exhibit #7] in comparison to other jurisdictions that range as high as 9.16 in Atlantic,

6.26 in Camden, and 5.56 in Cumberland. The County also points out that other county facilities around the state are significantly larger than Burlington's and house inmate populations that are 2 to 4 times as many as are housed in Burlington. The County also submits data reflecting that the overall crime rate in the County decreased by 3% in 2004, the fourth consecutive year that the overall County crime rate decreased. Measured by the number of crimes per 1,000 residents, the rate was 20.6 in 2004 compared to 21.3 in 2003. The County's crime rate was the seventh lowest among the 21 counties in New Jersey.

The County argues that an "equity adjustment" is not warranted because correction officers are not performing any new duties and have not been given any more responsibilities since the last contract. The County contends the PBA's reliance on equity adjustments allegedly contained in the sheriffs, and detectives and investigators contracts is misplaced. It points to the testimony of Human Resources Director Hornickel who testified to the inaccuracy of PBA claims concerning equity adjustments in the sheriffs' contract. In regards to the guide compression for sheriff officers the number of steps were reduced from 1 to 7 in the last contract, while steps for corrections officers were also reduced and are currently at a 7 step guide. Director Hornickel also testified that the sheriff's salary guide is almost identical to the correction officers' guide thus showing that there are no inequities present as argued by the PBA.

Turning to the cost of the respective proposals, the County presented spreadsheets analyzing both its own proposal and the PBA's proposals. According to the County's analysis, the PBA's proposal would result in a 59% increase (including the cost of annual step movement) over the life of the agreement while its own proposals cost out at 37% over the life of the agreement. The County points out that the PBA has not submitted its own cost analysis into the record but that its own analysis shows that the PBA's proposals represent a "staggering amount" of new monies amount to millions beyond the County's proposal. The County contends that it does not have the financial ability to pay for the proposals submitted by the PBA, especially when consider the impact it could have on County employment in general. It acknowledges however, that "essential and other beneficial services will not be adversely impacted by an award in the vicinity of the total figure proposed by the County."

The County points out that both parties' proposals exceed the current CPI index of 3.6 % and thus, as a result "this particular factor should be noted with limited applicability" due to other factors that are present. The County also acknowledges that it has flexibility under the CAP since significant amounts have been banked.

The County contends that its proposal promotes the continuity and stability of employment noting that the salary guide will provide for a 37% increase over the life of the agreement by virtue of the 4% annual across the board increases to each step of the salary guide as it has proposed. It submits that such increases will encourage newer employees to remain with the County rather than pursuing a law enforcement career elsewhere while attracting applicants for vacant positions.

The County observes that the PBA did not submit any comparisons to private sector employment and that such evidence is relevant and supportive of the County's position. It submits its own analysis of the State of New Jersey, Department of Labor and Workforce Development figures on private sector employment distributed by PERC. This data indicates that the average private sector wages in Burlington County for 2003 and 2004 were \$40,094 and \$41,518 respectively, evidencing a 3.6% increase. These figures of annual salary are well below the maximum salary of correction officers that would increase to \$52,777 in 2005, \$54,888 in 2006, \$57,083 in 2007 and \$59,367 in 2008 under the County's four (4%) percent proposal. The County also contends that its salary proposal exceeds the average private sector increase of 3.8% in the South Jersey region that includes Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean, and Salem counties.

The County contends that its proposed salary increases for Corrections Officers also exceeds those that have been received by other county employees. Citing County Exhibit #5, the County reports wage increases within its jurisdiction. It points out sheriff officers received salary increases between 4% and 18% with an average of 6% in 2005 while superior correction officer raises were between 4.76% and 8.91% for an average of 6.34% for 2004, well less than its overall 37% proposal over four (4) years<sup>1</sup>.

Turning to its health benefits proposal, the County contends that the changes are supported by internal comparability that would "just bring correction officers in line with the rest of county employees" most of whom are already paying the adjusted co-pays for doctor visits and prescription drugs. The County argues that providing the same level of health benefits to all employees is not only a matter of fairness but also an issue of operational efficiency and cost.

Based upon all of the above, the County urges that its final offer be adopted in its entirety.

---

<sup>1</sup> These figures are inclusive of step movement costs.

## **DISCUSSION**

The PBA and the County have offered testimony and considerable documentary evidence in support of their last offers. Each submission was expert and comprehensive. The entire record of the proceeding must be considered in light of the statutory criteria. The terminal procedure is conventional arbitration since the parties did not mutually agree to an alternative procedure. This process grants the arbitrator broad authority to fashion the terms of the award based upon the evidence without being constrained to select any aspect of a final offer submitted by the parties. I am required to make a reasonable determination of the disputed issues giving due weight to those factors set forth in N.J.S.A. 34:13A-16g(1) through (8) which I find relevant to the resolution of these negotiations.

These factors, commonly called the statutory criteria, are as follows:

(1) The interests and welfare of the public. Among the items the arbitrator or panel of arbitrators shall assess when considering this factor are the limitations imposed upon the employer by (P.L. 1976, c. 68 (C. 40A:4-45.1 et seq.)).

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

(a) In private employment in general; provided, however, each party shall have the right to submit additional evidence for the arbitrator's consideration.



(b) In public employment in general; provided, however, each party shall have the right to submit additional evidence for the arbitrator's consideration.

(c) In public employment in the same or similar comparable jurisdictions, as determined in accordance with section 5 of P.L. 1995. c. 425 (C.34:13A-16.2) provided, however, each party shall have the right to submit additional evidence concerning the comparability of jurisdictions for the arbitrator's consideration.

(3) The overall compensation presently received by the employees, inclusive of direct wages, salary, vacations, holidays, excused leaves, insurance and pensions, medical and hospitalization benefits, and all other economic benefits received.

(4) Stipulations of the parties.

(5) The lawful authority of the employer. Among the items the arbitrator or panel of arbitrators shall assess when considering this factor are the limitations imposed upon the employer by the P.L. 1976 c. 68 (C.40A:4-45 et seq ).

(6) The financial impact on the governing unit, its residents and taxpayers. When considering this factor in a dispute in which the public employer is a county or a municipality, the arbitrator or panel of arbitrators shall take into account to the extent that evidence is introduced, how the award will affect the municipal or county purposes element, as the case may be, of the local property tax; a comparison of the percentage of the municipal purposes element, or in the case of a county, the county purposes element, required to fund the employees' contract in the preceding local budget year with that required under the award for the current local budget year; the impact of the award for each income sector of the property taxpayers on the local unit; the impact of the award on the ability of the governing body to (a) maintain existing local programs and services, (b) expand existing local programs and services for which public moneys have been designated by the governing body in a proposed local budget, or (c) initiate any new programs and services for which public moneys have

been designated by the governing body in its proposed local budget.

(7) The cost of living.

(8) The continuity and stability of employment including seniority rights and such other factors not confined to the foregoing which are ordinarily or traditionally considered in the determination of wages, hours and conditions of employment through collective negotiations and collective bargaining between the parties in the public service and in private employment.

In interest arbitration proceedings the party seeking to change the conditions of employment normally bears the burden to prove the basis for such modifications. I have applied that principle in my analysis of each issue in the dispute. The issues in dispute are both economic: salary and health benefits. The parties have both proposed the same term of contract, with effective dates of January 1, 2005 through December 31, 2008. While I must assess the merits of the proposals individually, I refer to criterion N.J.S.A. 34:13A-16g(8). This criterion includes the consideration of factors that ordinarily or traditionally considered in the determination of wages and benefits. One such element requires that consideration be given to the totality of the changes to be made to the existing agreement. This consideration is consistent with the statutory requirement that the arbitrator determine whether the total net annual economic changes for each year of the agreement are reasonable under all the criteria. Thus, any decision to award changes in salary and health

insurance will include consideration as to the reasonableness of the terms of the entire award. I next turn to the issues in dispute.

### **TERM OF CONTRACT**

Both parties have proposed a four year agreement commencing on January 1, 2005. I accept the parties' positions as a stipulation and therefore award the contract term of January 1, 2005, through December 31, 2008.

### **HEALTH BENEFITS**

The County has proposed to increase the co-pays for drug prescriptions and doctor visits according to the following terms:

- Annual well child visits for children ages 7 to 18
- Prescription and contraceptive medications
- Increase co pays July 1, 2006, doctor's visits \$20, prescriptions: \$10 generic, \$15 brand name – no generic available, \$30 brand name, emergency room \$25 (no change).
- Children will be covered through the end of the month in which they reach age 19 or if a dependent and a full time student to the age of 23.

The County points out that at employer expense it has sought to maintain comprehensive coverage for unit employees but with some revisions designed to provide some relief as to its cost burden due to significant

increased costs that it has incurred to maintain the current health insurance scheme. It also asserts, as a matter of fairness and administrative efficiency, that its approach to health insurance benefits should be on a countywide basis to the extent that it is able to do so. At present, 80% of the county's employees currently pay the amounts now being proposed to correction officers and it has sought to extend the program to all bargaining units.

In addition, the County points out that its proposal includes changes that are beneficial to employees. These include the addition of contraceptive medications and well child visits, benefits that are presently absent from the existing program. A review of the evidence submitted indicates that for those contracts settled for 2006 and beyond, county employees are paying the higher co-pay of \$20 for doctor visits rather than the \$10 now paid by correction officers. This includes PBA Local 320 representing Detectives and Investigators. In the case of drug prescriptions all CWA contracts are at the higher co-pays proposed except the clerical unit in the Prosecutors Office which was not settled at time of hearing. Only two PBA contracts (in the Prosecutor's Office) have been settled for 2006 and those cases employees are required to pay \$9 for generic prescriptions which is \$1 less than the County's proposal for brand name; for the "no generic available" and brand name categories, the payments are \$15 and \$30 respectively, mirroring the County's proposal in

this proceeding. In addition to the correction officer contract which is not settled for 2006, the evidence provided as part of this proceeding indicates that the sheriff officers and the correction superior officers are also not settled for 2006. Thus, both are paying co-pays less than other County employees, although the sheriff's officers co-pays for 2005 exceed those for correction officers for office visits, emergency room co-pays and prescriptions.

In 2005, (the last year for which budget information was provided), the County's health insurance costs increased by almost \$1.5 million. The County has not sought contributions in premium costs and there is a basis for the County to seek some cost stabilization. There is merit to the County's argument that there be reasonable consistency, if not uniformity, in its health benefits program. The interests and welfare of the public will be served by the maintenance of a comprehensive health insurance program with adjustments in the co-pays sought by the County accompanied by the broadened benefits of contraceptives and well child care. The continuity and stability of employment will not be impacted negatively because the employees will maintain a comprehensive health insurance program without premium sharing. Because the County's proposal is reasonable and will provide reasonable consistency within its bargaining units, it is awarded prospectively upon no less than fourteen (14) day notice to the PBA.

**WAGES**

The PBA has proposed salary increases of 5% effective January 1 each year of the agreement and an equity adjustment of \$1,500 on each step effective January 1 of each year. The County has proposed salary increases of 4% at each step effective January 1 of each year of the agreement. The cost of the parties' proposals, both annually and over the life of the agreement, are depicting in the chart below.

			UNION PROPOSAL				
2004			2005	2006	2007	2008	Total
Base	\$11,316,581	222 Officers	\$565,829	\$594,121	\$623,827	\$655,018	\$2,438,794
	Annual Equity Adjustment	\$1,500	\$333,000	\$333,000	\$333,000	\$333,000	\$1,332,000
			\$898,829	\$927,121	\$956,827	\$988,018	\$3,770,794

			COUNTY PROPOSAL				
2004			2005	2006	2007	2008	Total
Base	\$11,265,834		\$450,633	\$468,659	\$487,405	\$506,901	\$1,913,598

The annual cost differences in the proposals from year to year are significant, amounting to more than \$1.8 million over the term of the contract<sup>2</sup>. This difference increases substantially if the cost out is

<sup>2</sup> For the purposes of evaluating the financial impact of the respective proposals, I have assumed all employees to be at maximum step.

accumulative, that is, based upon the actual payment costs to the County for each year of the agreement on an accumulative basis. When this is done, the actual cost difference in dollars paid out over the four years would exceed \$4.6 million.

The first point of analysis concerns the application of the statutory criteria. They are all relevant in making a wage determination although each is not entitled to the same weight. The interest and welfare of the public is an overriding factor because of its reach into all of the remaining criteria. In this instance, the interests and welfare of the public are especially present in a wage determination that will further the continuity and stability of employment of the County's correction officers, will take into consideration any patterns of settlement that may exist among the County's law enforcement units, will be within the County's financial means and not run afoul of statutory spending limitations. Those relevant factors are entitled to the most weight in this proceeding. Lesser weight, as it acknowledged by both the County and the PBA, is to be given to the cost of living. The CPI, at 3.6% below the final offers of each party. The overall compensation presently received, including benefits, is relevant as a factor that integrates with comparability and continuity and stability of employment. External comparability is relevant but not to the extent that it rises to equal weight with internal comparisons.

I believe that comparisons with other county correction officer units are more relevant than comparisons with municipal police departments. The other county correction departments compete more directly in areas of hiring and transfer. Municipal police departments each have different funding sources that determine the amount of funds to be raised directly from taxpayers in their individual jurisdictions. Training requirements also differ as well as the vast majority of the work that is performed due to the different statutory authorities that municipal police departments implement.

It is significant that there has been some parallel in prior negotiations between the County and its law enforcement units of sheriff's officers and correction officers. The contracts in evidence show that each prior contract in these units contained attractive terms that were designed to enhance the continuity and stability of employment in those units as well as to improve external comparability. In the corrections unit, the number of steps between minimum and maximum was reduced from nine (9) to seven (7) between contract years 2002 and 2004. Maximum salaries (but not the annual steps on the salary schedule) were increased by 4.5% in 2002, 4.5% in 2003, and 4.5% in 2004. The costs to the County of guide compression and the maximum salary increases were eased by lesser increases in the annual steps. The undisputed result of that agreement was to stem the dramatic lack of continuity and stability of employment that was evidenced by excessive separations in the



correction officer unit. In the sheriff's officer unit, there were similar terms. A ten (10) step salary schedule in 2002 was reduced to a seven (7) step schedule in 2004. The disparity in salaries between the two units that existed because of a 35 hour workweek for sheriff's officers (compared to 40 hours in corrections) was eliminated. An increase in work hours from 35 to 40 hours (a 14.3% increase) warranted a comparable salary structure for sheriff's officers in 2004 with the correction officer salary schedule in 2004. Officer co-pays and prescription co-pays were adjusted in 2005 beyond those existing in the corrections unit. In simple terms, the workweek and the salary schedules for both groups were harmonized in 2004. The sheriff officer contract had a duration through December 31, 2005, an additional year beyond the expiration date in the corrections unit. The salary schedule for sheriff's officers was then adjusted by 4.0% at each step effective January 1, 2005. The \$1,500 extra payment for those sheriff's officers who were above the old maximums was eliminated. Though the results in both units represented above average costs, the County received the benefits of increased productivity in the sheriff's unit and less turnover and less involuntary overtime in the correction's unit. The salary schedules reflected the following:

**2004**

<u>Sheriff's</u>		<u>Corrections</u>	
Step 1	\$32,500	1 (Min)	\$32,500
Step 2	\$34,500	2	\$34,500
Step 3	\$36,286	3	\$36,286
Step 4	\$38,045	4	\$38,045
Step 5	\$42,000	5	\$42,000
Step 6	\$46,000	6	\$46,000
Step 7	\$50,747	7 (Max)	\$50,747

**2005**

<u>Sheriff's</u>		<u>Corrections</u>
Step 1	\$33,800	To be negotiated
Step 2	\$35,880	
Step 3	\$37,737	
Step 4	\$39,567	
Step 5	\$43,680	
Step 6	\$47,840	
Step 7	\$52,777	

A four (4%) percent increase at each step, effective and retroactive to January 1, 2005 would place the correction officers salary schedule in harmony with the 2005 salary schedule implemented in the sheriff's department. In addition to maintaining consistency in the County's labor relations policy, a four (4%) percent increase is in balance with all relevant criteria and indicators for that contract year for law enforcement units. The County's proposal results in direct comparability for both units in 2005 and is reasonable. Thus, effective and retroactive to January 1, 2005. I award a 4.0% increase to each step of the salary schedule. The salary schedule shall be:

1 (Min)	\$33,800
2	\$35,880
3	\$37,737
4	\$39,567
5	\$43,680
6	\$47,840
7 (Max)	\$52,777

I next turn to the remaining contract years of 2006, 2007 and 2008. The level of the last offers of the parties reflect that there was a considerable amount of direct negotiations prior to impasse. The County's proposal for a four (4%) increase in each year of the Agreement is not, on its face, an unreasonable proposal. It exceeds the cost of living and is generally in accord with PERC's Salary Increase Analysis reflecting an average increase of 3.98% for awards and 4.09% for reported voluntary settlements during 2006. The PBA, for the reasons cited in the positions it has set forth, contends that the offer is inadequate due to salary comparisons it has made with surrounding county correction officer units and various municipal law enforcement units within Burlington County. The PBA cites hearing turnover rates in recent past as being the result of salary levels and high involuntary overtime requirements.

When all of the relevant circumstances are weighed and balanced, I conclude that the County's offer, while not unreasonable, inadequately addresses the documented difficulties that gave rise in the past to substantial turnover, lower hiring rates and excessive involuntary

overtime. The PBA acknowledges that the last agreement did address these issues in a positive manner. Involuntary overtime was reduced as well as turnover. The County has hired new correction officers who will now have more attractive terms and it prodded the New Jersey Department of Personnel to accelerate hiring eligibility lists that authorized the hiring of new correction officers. Nevertheless, comparisons with salary maximums in surrounding correction departments show Burlington to be behind. Equality with other departments is not required. Each county has different characteristics and each department also differs in key respects including inmate to officer ratios, which are more attractive in Burlington than in others. The PBA's offer targets external comparability but its cost of approximately 30%, not including step movement, is unreasonable. If awarded, it would negatively impact upon the County's overall labor relations policy with all County employees. But without some adjustments beyond the County's last offer, the positive impacts achieved in the last agreement could be compromised. For this reason, there is merit in the PBA's position that an equity adjustment be included in this Award. I award four (4%) percent increases for 2006, 2007 and 2008 at each step of the salary schedule accompanied by equity adjustments of \$500 at the salary maximum of the salary schedule effective January 1, 2007 and again on January 1, 2008. The salary adjustments shall be added to the maximum step of the schedules after the calculation of the 4% increases. The record reflects that lower steps of the salary schedule

compare more favorably to the maximum step in correction officer agreements. Thus, the lower steps are not in need of adjustment beyond the across-the-board increases but the salary at maximum will increase from \$50,747 to \$60,387 over the term of the Agreement. The following salary schedules result from the 4.0% salary increases and the adjustments at maximum step:

	2005 4%	2006 4%	2007 4%	2008 4%
(Min) 1	\$33,800	\$35,152	\$36,558	\$38,020
2	\$35,880	\$37,315	\$38,808	\$40,360
3	\$37,737	\$39,246	\$40,816	\$42,449
4	\$39,567	\$41,150	\$42,796	\$44,507
5	\$43,680	\$45,427	\$47,244	\$49,134
6	\$47,840	\$49,754	\$51,744	\$53,813
(Max) 7	\$52,777	\$54,888	\$57,584*	\$60,387*

\*includes \$500 adjustment in 2007 and 2008.

The terms of the award represent a reasonable determination of the issues with due regard for the statutory criteria. As previously indicated, all of the criteria are relevant although not all have been given equal weight. The overriding criterion is the interest and welfare of the public. The public is well served by unit employees who fulfill a dangerous mission and enhance the security of the public. The County has acknowledged the valuable service performed by its correction officers. The terms of the award will maintain the improvements that have been made in the continuity and stability of employment for correction officers while giving weight to internal patterns of settlement and terms and

conditions of employment set by county labor relations policy. The County has substantially increased its work force and the enhanced salary maximum will assist in retaining the work force and avoid the loss of investments it is required to make in the training of those officers.

The Award represents terms that are within the County's spending authority set forth in N.J.S.A. 40A:4-45.4 and will not cause adverse impact on the County's finances, its residents and taxpayers. The County acknowledges that an award of its final economic proposals or a reasonable variation thereto would not adversely impact its financial position or its ability to provide required services to its taxpayers. Its proposal of 4% annual increases is not unreasonable but require modifications to the salary maximum at additional cost within its financial ability. The additional costs of the award flow from the \$500 adjustments to the salary maximum in contract years 2007 and 2008. Seventy-eight (78%) percent of the corrections department appropriations of almost \$21 million for 2006 represent salary costs. The salary adjustments awarded can be expended within these appropriations without a significant departure from funds the County has already committed for salaries. The County's taxpayers have experienced a reduction in their per capita tax rate in 2006 as well as a decrease in their average tax assessment and will not be adversely impacted by the terms of the award. An award at or near the PBA's offer could cause negative financial impact not only

because of its cost in this unit but also because of its potential impact on the remainder of the County's negotiations units.

A separate criterion is the continuity and stability of employment. The record reflects that the turnover rate, previously excessive, has been reduced by an improvement in salaries and by reductions in the amount of mandatory overtime. However, these problems have not been eliminated. Improvements will dissipate without a continuation in the improvement of terms and conditions of employment that enhance stability. The award will enhance stability. Warden Juel Cole has worked with the PBA in improving morale within the department, especially in the area of capital improvements and the hiring of additional personnel. The adjustments to the salary maximums beyond the across-the-board increases will assist the goal of keeping trained correction officers employed by the County. The adjustments are not intended to be a general requirement applicable to the County's non-law enforcement units who do not have the unique requirements that appear in this unit.

The salary increases that have been awarded are above the average of the comparison group offered by the County (Atlantic, Camden, Cape May, Cumberland, Gloucester, Ocean and Salem) and, especially at maximum, are consistent with the comparison group offered by the PBA (Mercer, Monmouth, Ocean, and Camden). The terms exceed

the 3.6% average private sector wage increases for Burlington County and the average local government wage increases contained in the statistical data contained in the New Jersey Department of Labor and Workforce Development Report. The salary increases awarded to the salary maximums exceed the comparability data but are justified by a historical lag between the salary maximums in Burlington County with those in similar departments in the surrounding counties and by the need to prevent a repeat of the excessive turnover the department has experienced in the past. Internal comparisons warrant the modifications made to the health insurance program. The changes increase co-pays but also broaden some health care benefits. The employees will continue to receive a comprehensive health insurance program funded by the County without premium sharing.

The terms exceed the cost of living data but are justified by the other considerations previously set forth. The cost of living data, at 3.6%, is below the respective proposals of the parties. Greater weight given to this criterion would conflict with overall greater weight given to the remaining criteria.

Accordingly, and based upon all of the above, I respectfully enter the terms of the Award.



## AWARD

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

2. **Duration**

The effective date of this Agreement shall be January 1, 2005 through December 31, 2008.

3. **Health Benefits**

Article IV – Health Benefits shall be modified to reflect the following changes. All changes shall be prospective upon no less than 14 days notice to PBA Local 249.

- Annual well child visits for children ages 7 to 18
- Prescription and contraceptive medications
- Increase co-pays: doctor's visits \$20, prescriptions: \$10 generic, \$15 brand name – no generic available, \$30 brand name, emergency room \$25 (no change).
- Children will be covered through the end of the month in which they reach age 19 or if a dependent and a full time student to the age of 23.

4. **Salaries**

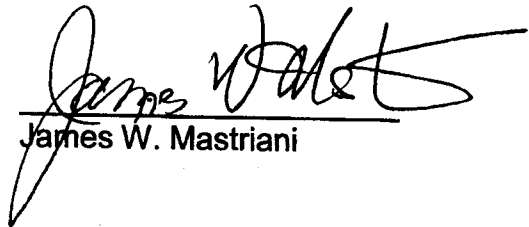
Article II – Salary shall provide salary schedules for 2005, 2006, 2007 and 2008 as follows:

	2005 4%	2006 4%	2007 4%	2008 4%
(Min) 1	\$33,800	\$35,152	\$36,558	\$38,020
2	\$35,880	\$37,315	\$38,808	\$40,360
3	\$37,737	\$39,246	\$40,816	\$42,449
4	\$39,567	\$41,150	\$42,796	\$44,507
5	\$43,680	\$45,427	\$47,244	\$49,134
6	\$47,840	\$49,754	\$51,744	\$53,813
(Max) 7	\$52,777	\$54,888	\$57,584*	\$60,387*

\*includes \$500 adjustment in 2007 and 2008.


All increases shall be retroactive to their effective dates of January 1.

Dated: January 20, 2007  
Sea Girt, New Jersey

  
James W. Mastriani

State of New Jersey     }  
County of Monmouth    }ss:

On this 20<sup>th</sup> day of January, 2007, before me personally came and appeared James W. Mastriani to me known and known to me to be the individual described in and who executed the foregoing instrument and he acknowledged to me that he executed same.

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