

STATE OF NEW JERSEY
PUBLIC EMPLOYMENT RELATIONS COMMISSION

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In the Matter of the Interest *
Arbitration between *
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MIDDLESEX COUNTY (CORRECTIONS) * DECISION
 * AND AWARD
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-and- *
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P.B.A. LOCAL 152A (SUPERIORS) * Docket No.
 * IA-2007-005
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Before: Joel M. Weisblatt, Arbitrator

Appearances:

For the County

Apruzzese, McDermott, Mastro & Murphy

By: Frederick T. Danser, Esquire

For the Union

Mets, Schiro & McGovern

By: Leonard C. Schiro, Esquire

Brian J. Manetta, Esquire

D E C I S I O N

The County of Middlesex (the "County" or the "Employer") and the Superior Corrections Officers, P.B.A. Local 152A (the "SOA" or the "Union") are parties to a collective bargaining agreement which had a duration through December 31, 2004. Negotiations for a successor agreement reached an impasse and a Petition to Initiate Compulsory Interest Arbitration was filed. Pursuant to the Rules and Regulations of the Public Employment Relations Commission, the undersigned Arbitrator was duly appointed to serve in this matter.

The Arbitrator met with the parties on October 18, 2006, December 5, 2006, and February 23, 2007, in an effort to assist them in achieving a voluntary resolution to their dispute. The impasse persisted. Evidentiary hearings were scheduled and held on April 25, 2007.

The parties were provided with the opportunity to argue orally, present documentary evidence and examine

and cross-examine witnesses. An extensive documentary record was created at hearing.

The entire record has been carefully considered. The evidence has been evaluated in light of the nine statutory criteria set forth in *N.J.S.A. 34:13A-16(g)*.

The parties failed to mutually agree to a terminal procedure. Therefore, under *N.J.S.A. 34:13A-(d)(2)* the dispute shall be resolved through a determination by conventional arbitration. This resolution shall be reached through application of all of the relevant statutory criteria, giving due weight as appropriate, to the issues presented by the unsettled elements in dispute.

Statutory Criteria

N.J.S.A. 34:13A-16(g) provides as follows:

g. The arbitrator or panel of arbitrators shall decide the dispute based on a reasonable determination of the issues, giving due weight to those factors listed below that are judged relevant for the resolution of the specific dispute. In the award, the arbitrator or panel of arbitrators shall indicate which of the factors are deemed relevant, satisfactorily explain why others are not relevant, and provide an analysis of the evidence on each relevant factor:

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

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

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

(c) In public employment in the same or similar comparable jurisdictions, as determined in accordance with section 5 of P.L. 1995, c. 425

(C:34:13A-16.2); provided, however, that each party shall have the right to submit additional evidence concerning the comparability of jurisdictions for the arbitrator's consideration.

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

(4) Stipulations of the parties.

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

(6) The financial impact on the governing unit, its residents 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 of the local unit; the impact of the award on the ability of the governing body to (a) maintain existing local programs and services, (b) expand existing local programs and services for which public moneys have been designated by the governing body in a proposed local budget, or (c) initiate any new programs and services for which public moneys have been designated by the governing body in a proposed local budget.

(7) The cost of living.

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

(9) Statutory restrictions imposed on the employer. Among the items the arbitrator or panel of arbitrators shall assess when considering this factor are the limitations imposed upon the employer by section 10 of P.L. 2007, c.62 (C.40A:4-45.45).

Final Offers of the PartiesFINAL OFFER: SOA 152A

1. Article 20.01 - Clothing Allowance
Increase by \$300.00 in the first year of the contract.
2. Article 10.03 - Senior Pay
2% in the 15th year
4% in the 20th year
3. Article 11.12 - Shift Differential
Increase by \$1.00 in the first year of the contract.
4. Article 11.13 - Out of Title Pay
Add: Any superior officer performing the duties which are out of title shall be upgraded in pay status to the title for which he performs. The increase in pay shall be the top pay for the title in question.
5. Longevity
Effective January 1, 2006 the longevity schedule shall be modified to reflect an improvement in longevity percentages as follows:
9 through 15 years - 4%
16 through 20 years - 6%
21 years and over - 8%

FINAL OFFER: COUNTY OF MIDDLESEX

1. Term of Contract:
The County proposes a four (4) year contract from January 1, 2005 through December 31, 2008.

2. Salaries:
Salaries in effect on December 31, 2004 for all ranks covered by this Agreement shall be increased each year of the new contract by Negotiated Wage increases (NWI) as follows:

1/1/05 - 3.0%
1/1/06 - 3.5%
1/1/07 - 4.0%
1/1/08 - 4.0%

3. Step:
The salary for all new hires or new promotees to the rank of Sergeant as of the date of issuance of this award shall be \$2,000.00 below the rate of pay for the rank of Sergeant. After one year of employment in the rank of Sergeant the new hiree or new promotee shall be paid at the maximum rate for Sergeant.

4. Senior Officer Pay:
Effective 1/1/07 the existing Senior Officer Pay of 1.5% over base salary for employees who have completed 20 years of service with the Middlesex County Adult Correction Center (or as otherwise provided in the current contract for employees as of April 4, 2002) shall be revised as follows:

(a) Employees who have completed 15 years of service with Middlesex County Adult Correction Center (or 15 years of service as otherwise provided in the contract for employees as of April 5, 2002) shall receive three quarters of 1% over base

salary, starting with their 16th year of service, and:

(b) Employees who have completed 20 or more years with Middlesex County as defined in the present contract, shall receive an additional three quarters of 1% above the 15 year base salary starting with their 21st year of service.

5. Longevity:
Effective January 1, 2007 Article 19, Longevity, shall be modified to provide:

All eligible employees are entitled to receive longevity based upon their base salaries (maximum base \$30,000) as of December 31st of the previous year of service starting as follows:

9 through 15 years of service	- 4% = \$1200
16 through 20 years of service	- 6% = \$1800
21 years and over	- 8% = \$2400

6. Assignment for Shift and Days Off:
Amend paragraph 3A to provide:

There are certain "exempt posts" which may require Special Training or Special Skills or experience or abilities or performance qualities that shall not be subject to the assignment process and shall be filled by the Warden pursuant to his discretion. They are as follows:

1. Captains (all)
2. Records Superior Officer (2);
(1) first and (1) second
3. Training Superior Officer (1)
4. Internal Affairs Superior Officer (2)
5. Administrative Superior/Compliance (1)
6. Visiting Superior Officer (2);
(1) Lieutenant and (1) Sergeant

Positions of the Parties

Position of the SOA

The SOA contends that its final offer is the more reasonable of the two under the statutory criteria. It seeks an award ordering the implementation of its final offer as the resolution of the dispute presented herein.

The SOA specifically addresses each of the statutory criteria in supporting the contention that its final offer is more reasonable. The initial focus is on the *Public Interest* criterion. The Union emphasizes the importance of the job performed by unit members and the unique difficulties presented by that performance. It characterizes the Department of Corrections as "a source of pride for the community" noting the recognition the facility has gained as a leader in its field. The SOA delineates examples of the stress and hazards associated with the duties of the job. It asserts that the current compensation package is not competitive and that an award of the

SOA's final offer would be fair. It argues that efforts to ensure the job stability and reduce turnover are in the public interest and that the Union's offer would promote those goals.

The SOA provides an extensive presentation with respect to the *Comparability* criterion. It maintains that this criterion fully supports the Union's proposals. The main focus of this argument is on the comparison with corrections superior officers in other counties and with other contracts negotiated by the Employer with other unions.

Of special note is the comparison with PBA Local 152 which negotiated a contract with the rank and file Correction Officers supervised by the members of this bargaining unit. The SOA stresses the fact that the PBA contract secured a \$300 increase in the clothing allowance benefit and that it also provided for the same senior officer pay sought by the Union, herein. Further, the SOA points out that the proposed increase in the longevity benefits matches that of the rank and file. The Union claims that the PBA Local 214 contract

with the County Prosecutor's detectives and investigators unit also includes the senior pay levels sought.

The Union discusses the importance of comparisons in salaries, clothing allowance, longevity, shift differential, and out of title pay with corrections units in other counties and with other law enforcement units within Middlesex County. It urges a conclusion that the unit compensation package is not commensurate with others in the comparison group and seeks an award of its final offer to "close the compensation gap."

The SOA characterizes the *Overall Compensation* received by unit members as "insufficient." It emphasizes that the rate of top level pay is low, in support of its proposals for senior pay and longevity. The Union also claims shortfalls in clothing allowance, shift differentials and out of title compensation.

With respect to the *Lawful Authority* criterion, the Union notes that there is no dispute that the CAP Law presents no issue for the implementation of the

entire SOA proposal. It insists that the evidence establishes the Employer's financial capability to fund an award of the Union's final offer.

The SOA addresses the *Financial Impact* criterion with the assertion that the record does not suggest any financial hardship or ability to pay problems for the Employer. It points to evidence of a recent tax levy reduction and a pattern of reducing property taxes, in seven of the prior twelve years. It insists that the Union's final offer would have little financial impact on the governing body and the taxpayers.

The SOA discounts the *Cost of Living* as a meaningful criterion in this dispute. It argues that it is irrelevant in the case at hand.

The Union contends that the awarding of its proposals will promote the *Continuity and Stability of Employment* by enhancing the County's ability retain well trained and highly skilled corrections superior officers. It reiterates the difficult levels of stress

and hazards associated with working in a correctional setting. The Union further points out the impact of working shifts in a 24 hour, seven day operation that must always be properly staffed. The SOA asserts that there are substantial benefits to retaining the most experienced supervisors. It argues that enhanced longevity, senior pay and shift differentials will promote that end.

In conclusion, the SOA insists that its final offer is more reasonable than that of the County. It seeks to have that final offer awarded in its entirety.

Position of the County

The County contends that its final offer is the more reasonable under the statutory criteria. It places a particular emphasis on the consistency of this offer with "the pattern of settlements it has developed with other law enforcement units of the County that have resolved their labor contracts."

The County argues that the implementation of certain economic items in the SOA's final offer would not be in the *Public Interest*. It characterizes those items as "excessive" and having a financial impact detrimental to the public interest. It also emphasizes that the implementation of certain of these items would constitute a substantial deviation from an established pattern of settlement among County law enforcement bargaining units.

By contrast, the Employer casts its final offer as having positive implications toward the public interest. It stresses that there are reasonable salary and benefit improvements proposed (negotiated wage increase, longevity & and senior officer pay) without foregoing consistency with the pattern of settlement.

The County maintains that its final offer is the more reasonable under the application of the *Comparability* criterion. The Employer discusses comparisons with the private sector, the public sector in general, and particularly the public sector in the same jurisdiction, Middlesex County. The County notes.

moderating trends with respect to wage increases in the public and private sectors generally and the reasonableness of the wage pattern among Middlesex County law enforcement bargaining units for this and the prior contract periods.

The County describes the *Overall Compensation* of correction superior officers as "excellent" under the prior contract and asserts that that level will be maintained under the Employer's final offer in this proceeding. It especially notes the value of the health benefits under the contract.

With respect to the Lawful Authority criterion, the Employer addresses the CAP Law and discusses the policy behind restricting local tax levies in order to protect homeowners. It notes the balance between the need to fund government services and the importance of limits on the tax levy. It also notes the reiteration of the same policy considerations with respect to the new ninth criterion in the interest arbitration statute. The County insists that its final offer is the more reasonable in consideration of these criteria.

The *Financial Impact* criterion requires an examination of the cost implications of the "add-ons" found in the SOA proposals. The Employer asserts that the cost of those add-ons is substantial, considering the relatively small size of the bargaining unit. It suggests that the added costs produce an "excessive financial impact on the County budget" and must be rejected by the Arbitrator.

The County argues that the *Cost of Living* criterion must weigh in support of the Employer's final offer. It claims that the SOA wage rates have improved by 15.2% more than the Consumer Price Index over the 12-year period ending in 2006. Further it anticipates that the proposed wage increases will more than keep pace with the cost of living for the new contract term. The implications of this, according to the Employer, is that the additional compensation items (increased shift differential, increased clothing allowance and improved senior officer pay) sought by the SOA are not warranted under this criterion.

The County addresses the *Continuity and Stability of Employment* criterion with an initial emphasis on the ordinary and traditional factors component of that criterion. It notes the importance of consistency among bargaining units and negative potential for "whipsaw" bargaining that could arise from certain of the SOA proposals. The potential impact of its positions with respect to the clothing allowance and shift differential are specifically noted. The County also addresses the stability of employment component with the assertion that the average length of service in the bargaining unit is nearly 20 years. It maintains that that statistic alone belies any need to enhance the economic package beyond the established law enforcement unit pattern.

The County concludes that its final offer is clearly the more reasonable under the statutory criteria. It seeks an award selecting and implementing the County's final offer as the resolution of all issues in dispute at interest arbitration.

Discussion and Analysis

At the outset of this discussion it is appropriate to acknowledge that the parties have been able to narrow the dispute considerably and they are to be commended for those efforts. Several significant issues, including wages, are no longer in dispute and that is very much in keeping with the intent of the interest arbitration statute, to promote the parties' ability to voluntarily resolve issues and disputes.

Specifically, the issues of: the negotiated wage increase; the duration of the contract; the exempt posts revision; language with respect to the 45 day rule and disciplinary actions; an agreement to establish a permanent arbitration panel in the grievance procedure; and language defining shifts as per the present practice; are not in dispute. The mutually acceptable terms established for those items shall be incorporated into the Award herein.

The duration of the contract shall be from January 1, 2005 through December 31, 2008. The negotiated wage increases shall be as follows:

Effective 1/1/2005 - 3.0%
Effective 1/1/2006 - 3.5%
Effective 1/1/2007 - 4.0%
Effective 1/1/2008 - 4.0%

The revisions proposed by the County to the exempt list under paragraph 3A under Assignment for Shift and Days Off shall be included in the contract. The contract shall include disciplinary action provisions pursuant to the statutory 45-day provisions for municipal police. The grievance procedure shall provide for three mutually agreed upon permanent arbitrators. Lastly, the present practice for shifts shall be defined and included in the contract under the *Work Day, Work Week and Overtime* provisions.

The six issues remaining in dispute are:

- (1) Longevity
- (2) Shift Differential
- (3) Step in Sergeants' Salary Pay Scale
- (4) Senior Officer Pay

(5) Clothing Allowance

(6) Out of Title Pay

The longevity issue involves a question of the appropriate implementation date of the improved longevity benefits. The SOA proposes January 1, 2006 and the County offers an effective date of January 1, 2007. The Union also raises the issue of the existing structure of capping the longevity payments, arguing that no such cap exists for the corrections rank and file unit. The effective of this element of the SOA position causes the substantive values to dramatically increase while the percentage levels appear to be identical.

The PBA proposes an increase in the existing shift differential which the County rejects. The Union seeks an increase of \$1.00 to the current shift differentials of: \$0.45 on the 3:00 p.m. to 11:00 a.m. shift; \$0.50 on the 10:00 p.m. to 8 a.m. shift; and the visiting Sergeants' shift of 1:00 p.m. to 9 p.m. on Wednesday, Thursday and Friday.

The addition of an initial salary step for sergeants, upon hire or promotion, is proposed by the Employer and opposed by the SOA. The County seeks to compensate new Sergeants at a rate \$2,000.00 below the maximum rate (currently single rate) for the first year an employee is in the rank of Sergeant.

Both parties present substantive proposals with respect to the senior officer pay, they differ in measure. The SOA seeks to improve the existing senior pay provision [1.5% after completion of 20 years service] to 2% in the 15th year and 4% in the 20th year. The County offers 0.75% after completion of the 15th year, rising to the current 1.5% after 20 years.

The Union seeks an increase in the clothing allowance and the County resists that change. The SOA proposal is to increase the current clothing allowance of \$1,150 per year by \$300.00.

The SOA proposes out of title pay language. This would state that unit members performing work out-of-

title shall be upgraded in pay status to the title of the work performed.

The parties have presented their arguments, specifically addressing the criteria set forth for consideration in the interest arbitration statute. The Arbitrator has considered each and every criterion and the following is a discussion of the application of each of the criteria to the package forming the resolution of the dispute awarded herein.

The **Interest and Welfare of the Public** is always a relevant criterion in resolving an interest arbitration dispute. There are numerous elements to the public interest factor but the Arbitrator believes that this initial criterion is always worthy of substantial weight in determining the most reasonable resolution of the parties' dispute. Consider that the services rendered by the employees at issue are a particularly important aspect of providing for the public safety. The County's ability to attract, retain and promote qualified Corrections Superior Officers has an impact on the quality of life of its residents, measured in

terms of safety and the effectiveness of the correctional system. Fiscal responsibility is another component of the public interest that is directly relevant to the considerations in this interest arbitration. The public interest elements of the CAP Law must also be examined. Additionally, the morale of employees and the impact of this contract in the context of the overall labor relations process in Middlesex County are important considerations in relation to the public interest.

In the case at hand there are several particularly important elements of the public interest at play. Of immediate importance is the recognition that the corrections department and the adult corrections facility have served the public well. The operations are professional and have performed at a high level. It is important that the County be able to attract and retain highly qualified personnel for this facility to maintain its high performance level. This is frequently problematic for county governments. A significant factor supporting a correctional department's ability to attract and retain qualified

personnel is the level of promotional opportunities and the terms and conditions of employment through the promotional ladder. The proper levels of compensation and benefits through the promotional ranks serves to establish a career path that attracts and keeps highly motivated and qualified employees.

Additionally, the history of collective bargaining between the County and its various bargaining units has developed a clear and relatively consistent labor relations process across employment lines. There have been patterns of internal consistency that maintain and adjust reasonable levels of compensation and other terms and conditions of employment. The consistency with which the process has established and reinforced the relative relationships between units and the overall package of terms and conditions of employment has served the public well. It allows for predictability in the negotiation of contracts across numerous bargaining units and different periods of duration. Predictability in bargaining aids the budgetary process as it provides for longer range understanding of probable costs. The continued

consideration of the overall bargaining structure and its consistency must be given substantial weight in determining the public interest.

This element of the public interest criterion is of significant importance with respect to a number of the issues remaining in dispute in the case at hand. It is particularly meaningful with respect to the longevity issue, with respect to both the implementation date and the existing structure of the benefit across bargaining unit lines. The importance of consistency in the overall labor relations context of the jurisdiction must also impact upon the consideration of the clothing allowance and senior officer pay issues.

With respect to the longevity issue the implications of the public interest criterion are fairly straightforward. The County's final offer, substantively, is identical to that implemented for all other units with evidence in the record. It varies from the norm only with respect to its implementation date. The existing structure, which effectively caps

the dollar value of the longevity payments by applying the percentage values to a maximum "base" rate of \$30,000.00, is expressly set forth in the contracts covering all the law enforcement units. This includes: the Prosecutor's Detectives and Investigators; the Prosecutor's Superior Officers; the Sheriff's Officers; the Sheriff's Superior Officers; and the Corrections Officers rank and file unit. It may be that the SOA herein based its argument to eliminate the capped longevity levels on the mistaken belief that the rank and file employees had achieved such a change; they have not [see Exhibit C-37, page 70].

With respect to the implementation date of the improved longevity benefit, the public interest in consistency favors the Union's final offer, seeking January 1, 2006 as the effective date. That is the implementation date used in the contract with the Corrections Officers rank and file, negotiated by PBA Local 152 [Exhibit C-37]. Further, neither of the Prosecutor's bargaining units were required to wait until January 1, 2007 for the implementation of the improved longevity benefit.

The public interest in consistency also relates to certain issues at play in the present dispute, specifically, in terms of the shift differential, senior officer pay and clothing allowance items. The shift differential issue is quite clear and uncomplicated. It represents a demand for a substantial increase which no other bargaining unit has attained. The rank and file Correction Officers continue to receive the same differential as the prior contract, which is also identical to that currently received by the Correction Superior Officers. While the Union does provide external comparisons under the second criterion to support this demand but with respect to the public interest and the desirability of consistency the proposal is not supported.

The analysis of the public interest component with respect to the preference for consistency and the senior pay issue is a little more complex than that for the shift differential issue. The level of benefit sought by the SOA is identical to that currently provided to the rank and file Correction Officers.

That suggests achieving a measure of consistency. However, on the other hand, the rank and file Corrections Officers did not increase the maximum level of that benefit in the current round of negotiations; it merely moved the effective impact of one-half the maximum from the completion of 20 years to the completion of 15 years. The County's final offer is actually consistent, on a formula basis, to the most recent change negotiated by PBA 152 for the rank and file.

There is some basis for considering either position as to senior pay consistent in the context of overall bargaining among County units. However, it is quite instructive to note that the SOA sought to match the PBA benefit in its last round of bargaining (the PBA having already attained it) and the Arbitrator found that the reduced level was more appropriate for this unit [to be discussed at greater length under other criteria]. There are some conflicting indications under the public interest criterion with respect to this issue.

The clothing allowance issue similarly presents a different element of complexity when analyzed with respect to the preference for consistency under the public interest criterion. In the case at hand, the SOA seeks an increase of \$300.00 achieved by PBA 152 for the rank and file Correction Officers. This sounds quite simple until it is revealed that that increase raised the rank and file clothing allowance to \$1,100.00; the Superior Officers already receive a clothing allowance in excess of that, \$1,150.00. Once again one can see the potential conflict between focus on the level of benefit and the improvement of benefit in the current round of bargaining. These considerations do provide some support for each party's position.

An examination of the specific application of this component of the public interest criterion to certain issues clearly reveals that there are several considerations that may conflict yet still directly impact upon the public interest. One must question whether a particular position might promote "leapfrog" bargaining or raise the potential for "whipsaw"

negotiations across bargaining unit lines. Or rather, will it promote a reasonable balance of results in an overall context involving units with similarities and differences. The answers are not always absolutely clear and must be weighed with the other components of this and other criteria.

Another very important aspect of the public interest criterion is that of fiscal responsibility. In the case at hand, the cost impact items of greatest significance are: the SOA proposal to change the structure of longevity, ending the existing capped levels; the senior pay proposals and the SOA proposal for a dramatic increase in the shift differential. The issue of fiscal responsibility and the public issue has greatest impact in considering the issue of the longevity structure and the least impact with respect to the date of implementation of the longevity change. Given the value and costs of the package as a whole, including salary increases, benefits provided and improvements in longevity and senior pay, the additional cost of removing caps on longevity in this contract would not be supported by the fiscal

considerations of the public interest criterion. Additionally, the implications such a change might have throughout the other bargaining units has to be considered with respect to the public interest.

The fiscal responsibility component of the public interest criterion has some lesser impact with respect to the senior officer pay. It is not as significant a factor in reaching the final determination with respect to that issue. Finally, the increase sought by the Union in shift differential finds no support when considering the fiscal elements of the public interest criterion. It represents an expansive cost increase that, if added to the other economic improvements provided, would take the economic package out of reasonable balance.

Under the record established at hearing for this arbitration, there is little support for the County's proposal to add a step to the compensation schedule for Sergeants first year in rank. There may be some general aspects to the proposal that may present some reasonable points but the record does not support the

contention that, at this time, the implementation of an additional step for Sergeants is in the public interest.

The **Comparability** criterion warrants substantial weight in deciding the terms and conditions of employment that form the most reasonable resolution of the issues in dispute in this interest arbitration. Both parties devoted considerable emphasis in their presentations to the various components of comparability. The Arbitrator has given consideration to comparisons: with employees in the private sector, generally (there are no private sector employees performing the same or similar functions as these police officers); with employees in the public sector, generally; with employees having the same employer; and with employees who perform the same or similar functions with comparable employers.

The Public Employment Relations Commission annually distributes a private sector wage survey for use in interest arbitration proceedings. This wage survey is developed by the New Jersey Department of

Labor and Workforce Development. The most recent version of this wage survey was distributed on September 21, 2007 and the Arbitrator takes notice of the data provided. The total net change in private sector average annual wages for the State of New Jersey was 4.6% from 2005 to 2006. That same figure for the change from 2004 to 2005 had been 3.1%. In Middlesex County, the private sector average annual wages increased by 6.1% from 2005 to 2006 after having increased by only 0.7% the prior year. This private sector data clearly reveals that the salary rate increases agreed upon by the parties and the economic package as a whole are well within an appropriate range when considering the private sector in New Jersey and Middlesex County.

The same wage survey data, produced by the New Jersey Department of Labor and distributed by the New Jersey Public Employment Relations Commission, provides general comparisons in the public sector as well. For the year 2006, the average annual wage for all government workers (all levels of government) in the state increased by 3.4% and for local government by

3.3%. Those increases for 2005 were 1.9% and 2.8%, respectively. They have been given some consideration in formulating the final package, herein.

The following data is remarkably meaningful with respect to understanding the nature of comparability among law enforcement unit that negotiate contracts with Middlesex County.

County Law Enforcement Bargaining Units - Percentage Wage Increases

	Sheriff's Officers	Sheriff's Superiors	Correction Officers	Correction Superiors	Pros. Dets & Investig	Pros. Superiors
2000	3.50	3.50	3.50	3.50	3.50	3.50
2001	3.75	3.75	3.75	3.75	3.75	3.75
2002	4.75	4.75	4.75	4.75	4.75	4.75
2003	4.75	4.75	4.75	4.75	4.75	4.75
2004	4.75	4.75	4.75	4.75	4.75	4.75
2005			3.00		3.00	3.00
2006			3.50		3.50	3.50
2007			4.00		4.00	4.00
2008			4.00		4.00	4.00

The parties' agreement with respect to wage increases for the Correction Superior Officers embodied in the final offers herein, further reinforces the absolute nature of the wage pattern among the bargaining units.

This is also reflective of the general importance of internal comparisons to Middlesex County law enforcement negotiations.

The longevity benefit is also identical from unit to unit in an internal comparison. Each bargaining unit that has achieved resolution of its negotiations for the current duration period has improved the percentage values at 9th, 16th and 21st years of service to 4%, 6% and 8%, respectively (from 2%, 5% and 7%). In every single case, including that of the Corrections Officers rank and file unit, the contracts have retained the prior existing language that effectively capped the value of this benefit by providing that the maximum base for applying the percentages shall be \$30,000.00. Internal comparisons provide a clear basis for rejecting the SOA proposal that the structure of longevity be changed to eliminate the capped benefit.

There is internal comparison evidence with respect to the implementation date of the improved longevity payments. The Corrections Officers rank and file unit

received the improvement effective January 1, 2006. The Prosecutor units both appear to have received the improved benefits at least that early, if not a year before. There is no comparability evidence on the record to support the County's proposal for an implementation date of January 1, 2007.

The most important internal comparison with respect to the clothing allowance issue is that with the Corrections Officers rank and file unit. PBA 152, representing that unit reached an agreement with the County that included a \$300.00 increase in their clothing allowance. That raised the amount of the benefit from \$800.00 to \$1,100.00 in their current contract. This increase clearly is the basis for the SOA proposal to increase its clothing allowance from \$1,150.00 to \$1,450.00. However, the \$300.00 increase negotiated by the rank and file unit did not even bring the clothing allowance up to the level already enjoyed by the Superior Officers. The more meaningful comparison in this respect is the level of the benefit, which for the SOA unit is still above the increased level for the PBA. The internal comparison component

here supports the County's position in opposition to the increase.

The Arbitrator understands the significance of the shift work performed by SOA unit members. The operation is a 24 hour, seven day a week operation that is always demanding upon its personnel. There is simply no "down time" for a correctional facility; attentiveness is importance day and night. The existence of a shift differential is reflective of the demands upon personnel. However, the internal comparison with the rank and file Correction Officers is a most compelling factor with respect to this benefit. The rank and file receive the same shift differential received by the Correction Superior Officers and the negotiations for the most recent contract (through December 31, 2008) for the PBA did not increase the shift differential for rank and file Correction Officers [Exhibit C-37]. This internal comparison component serves to strongly support maintaining the *status quo* with respect to the shift differential in this contract.

The internal comparison factor presents a conflicted picture with respect to the senior pay issue in dispute. The current provision for the SOA unit simply adds 1.5% to the base salary for employees who have completed 20 years service with the correctional facility. That benefit was reached as a result of the interest arbitration award issued by Arbitrator Mastriani for the contract having a duration of 2000-2004. At the time of the arbitration for that contract, the rank and file Correction Officers had already achieved a contractual senior pay provision that added 4.0% to the base salary of all employees having completed 20 years service with the correctional facility. The Correction Superior Officers sought that same 4.0% level of senior pay but the interest arbitration award [Exhibit C-35], issued in 2002, set forth the benefit at 1.5%. That 2002 award, using a detailed costing analysis, determined that the unit-wide valuation of the benefit was significantly higher for the SOA, with more senior officers, than for the rank and file. The award held that the reduced percentage figure was appropriate for the supervisory group, setting the level at 1.5%.

For the current contract period of 2005-2008, the Correction Officers rank and file unit did not increase the upper (20 year) end value of the senior pay (except for some compounding effect). It simply provided one-half the value, or 2.0%, five years earlier, upon completion of 15 years with the correctional facility. The last 2.0% is then added at the completion of 20 years, to reach the 4.0% level of the prior benefit. The County proposal for 0.75% after 15 years (half of the existing 1.5% after 20 years) applies the same concept to the SOA's existing benefit, paralleling the approach with the rank and file unit. The Union's proposal simply seeks to apply the percentages from the rank and file contract (2.0% after 15 years, increased to 4.0% after 20 years), in the same manner, to both units.

There are arguments worthy of consideration for each position on this issue under the internal comparison factor. On the one hand, the SOA is seeking nothing more than the benefit level already enjoyed by the PBA. On the other hand, that would provide the SOA

with a dramatically improved benefit at both 15 and 20 year levels when the PBA was only able to achieve an improvement at the 15 year level. Further, it provides the SOA with the result it was unable to achieve at interest arbitration leading to the 2002 award. The internal comparison analysis presents a conflicting result with respect to senior pay.

There is only a limited comparison group with respect to internal comparisons relating to the County's proposal to insert a new, lower introductory pay step for Correction Sergeants. That is a comparison with the Sergeants rank in the Prosecutor's Office and also with Sergeants in the Sheriff's Office. The contract between the County and the Prosecutor's SOA unit [Exhibit C-41] does not provide for the lower salary step for Sergeants. Similarly, that step is not found in the Sheriff's SOA contract [Exhibit C-38]. The internal comparison factor does not support the Employer's proposal with respect to the addition of a lower, introductory salary step for Sergeants.

The comparisons of the terms and conditions of employment of unit personnel with those performing the same or very similar functions in comparable jurisdictions is a valid measure to assist in making a determination in interest arbitration. The Arbitrator has examined evidence provided by both parties with respect to the issues and contracts for Correction Superior Officers in other counties, finding certain counties to be particularly relevant.

The external comparisons commence with looking at the comparison of longevity benefits with other counties. Ocean, Passaic and Somerset County Correction SOA contracts provide for percentage longevity benefits with no cap, as sought by the SOA, herein. Middlesex , Mercer and Union County Correction SOA contracts provide longevity benefits with a dollar value limit. The Monmouth County Correction SOA contract provides for no longevity benefit [Exhibits C-48 & U-12].

The Ocean County longevity benefit for the comparable unit of employees provides the following

[Exhibits U-14 & C-48]:

after 7 yrs - 3.0%
 after 12 yrs - 4.6%
 after 17 yrs - 5.7%
 after 22 yrs - 6.5%
 after 27 yrs - 7.3%
 after 32 yrs - 8.0%

The Passaic County Correction SOA contract provides the following [Exhibits U-15 & C-48]:

after 6 yrs - 2.0%
 after 9 yrs - 4.0%
 after 14 yrs - 6.0%
 after 19 yrs - 8.0%
 after 25 yrs - 10.0%
 (note: years converted to conform with "after" rather than "beginning")

The Somerset County Correction SOA contract provides the following: [Exhibits U-16 & C-48]:

after 5 yrs - 1.50%
 after 10 yrs - 1.75%
 after 16 yrs - 2.75%
 after 21 yrs - 3.00%
 after 26 yrs - 3.75%

The Middlesex, Mercer and Union SOA contracts can be compared as follows [Exhibits U-11; C-36 & C-48]:

Mercer

after 5 yrs - \$ 600
 after 10 yrs - 900
 after 15 yrs - 1,350
 after 20 yrs - 1,850
 after 24 yrs - 2,300

Middlesex (existing)

after 8 yrs - 2% = \$ 600
 after 15 yrs - 5% = 1,500
 after 20 yrs - 7% = 2,100

Middlesex (newly proposed)

after 8 yrs - 4% = 1,200
 after 15 yrs - 6% = 1,800
 after 20 yrs - 8% = 2,400

Union

after 9 yrs - \$1,365
 after 14 yrs - 2,365
 after 19 yrs - 2,865

The most effective way to compare these different benefits is to select several years of service levels and apply the various longevity schedules, calculating values against salary rates where percentages are involved. Consider the following comparison, based on 2006 Sergeants' rates (2005 for Ocean) and using the longevity improvement awarded herein for the Middlesex figures:

Longevity Benefit Comparison - Selected Relevant Jurisdictions

	<u>after 8 yrs</u>	<u>after 12 yrs</u>	<u>after 16 yrs</u>	<u>after 20 yrs</u>
Mercer	500	900	1,350	1,850
Ocean	2,405	3,687	3,687	4,569
Passaic	1,958	3,916	5,874	7,831
Somerset	1,202	1,403	2,204	2,204
Monmouth	0	0	0	0
Union	0	1,365	2,365	2,865
Middlesex*	1,200	1,200	1,800	2,400

The Middlesex County longevity benefit levels are clearly not at the high end of the spectrum but in the newly improved form they are certainly within the range of the external comparisons. The newly awarded levels are moderate in value but still marginally competitive by comparison.

Comparisons among Correction Superior units in other counties reveal the existing benefit of \$1,150 per year to be quite competitive. Consider the following chart drawing data from Exhibits U-6 through U-18 and C-49:

Clothing Allowance Benefit Comparison

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Atlantic	1,300	1,350	1,350	
Bergen		1,000	1,150	1,150
Cape May	600	600	600	600
Gloucester	1,500			
Mercer	1,150	1,150	1,200	1,250
Monmouth	1,000	in base pay		
Morris	1,100	1,200		
Ocean	in base pay			
Passaic	0	0		
Somerset	0	0		
Sussex	900	900		
Union	in base pay			
Warren	725	725	725	

The external comparisons with other Correction Superior Officer units does not support the Union's proposal to add \$300.00 to the existing clothing allowance of \$1,150.00 per year.

The Arbitrator has reviewed the comparison contracts for Correction Superior Officers from various relevant other jurisdictions, specifically, Exhibits U-10 through U-18 and Exhibits C-62 through C-66. The record does not establish a convincing or compelling

basis to award the Union's proposal to approximately triple the amount of the shift differential compensation. There is no clear trend with respect to the external comparison evidence with respect to this issue.

The comparison criterion component relating to other employees performing the same function in similar jurisdictions requires an examination of maximum pay when considering the issue of senior officer pay. The chart below compares the maximum salary rates (without longevity or senior pay) for Sergeants, the Middlesex rates include the increases for 2005-2008 awarded herein:

Maximum Sergeant Salary Comparison

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Monmouth	94,000	102,000	110,694	114,845
Passaic	93,231	97,892		
Union	86,324	86,324	86,324	90,640
Ocean*	80,158			
Mercer	79,379	82,375	86,261	89,927
Middlesex	78,310	81,051	84,293	87,665
Somerset	77,071	80,154		

* Ocean salary rate contract year and term expires 3/31/06

The above chart is based upon Exhibits C-45 and U-15. It is important to note that in Union and Ocean Counties the maximum rate includes clothing allowance that has been rolled into base salary. Additionally, the Passaic and Somerset County contracts do not provide for any additional clothing allowance and it may have been rolled into base as well. The Sergeants are the largest group of Correction Superior Officers and they provide the most compelling comparison. However, comparative data for Lieutenants and Captains has been considered as well and lends itself to an analysis which is fully consistent with that of the Sergeants.

The maximum salary rates for Middlesex County Correction Sergeants are within the competitive range among comparable jurisdiction, however, they are at the lower end of that range. The comparability criterion suggests that some moderate improvement in the senior pay might be warranted. This requires striking a balance on the external comparisons without upsetting internal comparability or having a negative financial impact upon the governing body and the taxpayers. The

Arbitrator continues to place significant emphasis in the unit-wide cost analysis discussed by Arbitrator Mastriani in the 2002 interest arbitration award. The result is senior officer pay that must be at a lower percentage rate than that of the rank and file contract but is moderately higher than current levels. As recently established for the rank and file unit, the senior pay benefit for Correction Superiors also should include a rate applicable after 15 years of service.

There is some comparability evidence revealing compensation plans with interim pay steps for Superior Officers, as proposed by the County. These include Union, Passaic and Mercer County Corrections Superiors units [Exhibits C-45 & U-15]. However, in the overall scheme this external comparison is not nearly as compelling for the issue at hand as the internal comparison discussed earlier where no such supporting evidence exists.

The **Overall Compensation** currently received by unit members must be characterized as within a reasonable range for the functions performed by unit

members. As discussed with respect to the comparability criterion, salary rates fall within the margins of what must be termed competitive in the labor market place. Similarly, the longevity pay benefit is within the competitive boundaries albeit not near the leading edge. The existence of senior pay (currently at 1.5% of pay) serves to help reinforce the competitive career-reinforcing potential of the compensation scheme. However certain elements require improvement, as recognized by the Employer's own proposal to increase longevity payments and to provide part of the senior pay benefit at the completion of 15 years, rather than the current 20 years.

The improvements in longevity and senior pay awarded herein should not be taken lightly. Consider that the longevity improvement doubles the value (from \$600 to \$1200) for those with 8 through 14 years of service and simply adds \$300 to the value for all those who have completed 15 or more years service. Note that all unit members with 15 completed years of service or more will gain an another 1.0% of salary through the improved senior pay provision. These moderate

improvements appear particularly reasonable under an analysis the overall compensation criterion.

It is noteworthy that unit employees enjoy a statutory pension plan that is generally considered to be a particularly good benefit. That benefit level clearly has its historical roots in the difficult and important nature of the job responsibilities of unit personnel. The contractual medical insurance benefits are also of high quality. It is significant to point out that the parties have, in the past, negotiated provisions that have addressed the pressing issues of rising premium costs and implemented efforts toward reasonable cost-containment. Vacation, holiday pay and other paid leave provisions in the existing collective bargaining agreement are competitive in nature. It is fair to conclude that the overall compensation for unit employees is competitive and within the bounds of reason. There are no areas where there is evidence of excessive benefit levels and there are no areas of woeful shortcomings. The adjustments to the overall compensation warranted by the record at hand are moderate and driven by a clear basis to provide balance

with respect to both the change and level of the compensation components addressed.

The parties entered into no **Stipulations** of fact that impact on the determination of the issues remaining in dispute at interest arbitration. This criterion has been given no weight in the reaching the resolution of the disputed items. The mutually agreed upon items shall be incorporated in the Award herein.

The County urges the Arbitrator to consider the **Lawful Authority** criterion in a manner beyond the actual terms of the subsection of the interest arbitration statute. It argues that this criterion, along with the new **Statutory Restrictions** (9th) criterion, present the Arbitrator with the requirement to evaluate the record with regard for the legislative policy to address the state's property tax burden. The Arbitrator agrees that the context of the legislative intent is clear and must be given consideration. This is essentially where the fifth, sixth (**Financial Impact**) and ninth criteria merge. The fifth and ninth

criteria present some specific tests for the Arbitrator. They require an analysis of whether the proposals, and ultimately the resolution of the dispute, will impact on the Employer's ability to meet its lawful obligations under legislation restricting spending and tax levies. Clearly, the Arbitrator should not award a package of terms and conditions of employment that would cause the budget to be in violation of statutory caps on spending or taxing. However, the implications are more complex than that.

As the fifth, sixth and ninth criteria are read together, it is clear that the Arbitrator is under an obligation to consider the broader implications than a simple calculation as to the costs of a few items relating to a small group of employees. That is certainly one component of the analysis. Additionally, the Arbitrator is bound to consider whether the implications of an award affecting a single unit is likely to have an impact of greater proportions. It is, under these criteria, necessary to avoid the creation of a ripple effect that would undermine the intent of the statute by having an unreasonable impact

on the governing body and the taxpayers. If such a result is apparent from the evidentiary record, the Arbitrator must address the cause.

In the case at hand, the resolution of the issues in dispute is obviously free of having the potential for any unreasonable impact on the governing body or the taxpayers. The parties have reasonably removed any dispute over the negotiated wage increases, agreeing to an established pattern of moderate increases for unit employees. Similarly, the resolution of the longevity item is within budgetary limits and consistent with the pattern of prior agreements (predictable). The adjustment to the senior pay is moderate, warranted and it is an item that should have no impact on any rank and file units and only limited possible impact upon the other smaller law enforcement Superior Officer units. The unit-wide cost implications, as originally considered in 2002 are still significant and meaningful, especially under the financial impact component. Certain proposals of the SOA have been rejected because their implications may have been too broad and of potential to upset the balance with

respect to the financial impact on the budget. Specifically, this refers to the SOA's proposed change in this contract period with respect to the: capped structure of the longevity benefit; a further (leapfrog) expansion of the clothing allowance; and the dramatic proposed increase in the shift differential.

The evidence clearly establishes that the resolution of the issues presented in this interest arbitration will not result in any difficulty for the County to meet its lawful responsibilities with respect to budget, including all legislation restrictions in place. Further, the evidence establishes that the broader implications of the award will not a negative impact. Finally, the evidence establishes that the award herein will not have any predictable impact to cause the tax levy to increase further. Indeed, under the budgetary process considered for this award (which is consistent with all trends), the County was able to reduce the tax levy in the first year of the contract [Exhibit U-1]. There is absolutely no evidence to even suggest that the implementation of this award would

jeopardize any existing governmental services or the initiation of any new services.

The **Cost of Living** criterion is given some consideration in reviewing the record. The facts reveals that the U.S. Department of Labor, Bureau of Labor Statistics reports that the CPI-U (Consumer Price Index, for all urban consumers) rose 3.4% in the first year of the contract period and 3.2% in the second. The parties resolved the wage increase issue, for which the CPI data is most relevant, with increases in those two years of 3.0% and 3.5%, respectively. The negotiated wage increase for the next two years is somewhat higher at 4.0%. The direct applicability of the cost of living data for the specific issues remaining in dispute is only limited but its relevancy to the overall impact of the package is noted and given some weight.

The eighth criterion, concerning the **Continuity and Stability of Employment**, also has some components that relate to other factors ordinarily and traditionally considered in determining terms and

conditions of employment. The continuity and stability of employment is of particular importance in a correctional setting where a career path and competitive compensation scheme and important to prevent unwanted turnover. As described under the public interest criterion, the resolution awarded herein is designed to support the Employer's ability to recruit and retain qualified personnel. The availability of promotional positions with competitive compensation enhances an employer's ability to present a career path for employees. The award in this dispute addresses improvements in longevity and senior pay in such a way that should enhance the existing overall compensation of unit employees, sufficiently supporting continuity of employment.

An element of the other ordinary and traditional factors under the eighth criterion is bargaining history. The determination of the issues in dispute in this case has been made with a careful eye toward the history of pattern bargaining among the law enforcement units of Middlesex County. The intent is to balance the specifics items and facts relating to the

Correction Superiors unit with the pattern of bargaining with other units. This goal has been accomplished in the case at hand. The appropriate adjustment to the senior pay has been accomplished without any likely impact on any of the rank and file units who already enjoy the benefit at a higher level.

The costing calculations of the issues in dispute resolved through this Decision and Award are remarkably straight forward. Based upon the new longevity rates in the established pattern, each employee with between eight and fifteen years of service will receive a \$600 increase and each employee with 15 or more completed years of service shall receive a longevity increase of \$300. These costs are newly implemented effective January 1, 2006 (just as in the rank and file unit). The cost of the improved senior pay is, effectively, one percent of salary for all employees having completed 15 years of service. That is based upon a new 1% senior pay level upon completion of 15 years and an increase from 1.5% to 2.5% after 20 years.

The unit salary data is set forth in Exhibit C-74, which tracks all unit personnel from the base salary figures from 2004 through application of the agreed upon negotiated wage increases for 2005, 2006, 2007 and 2008. That exhibit also presents each unit member's date of hire, which indicates that all but two unit employees have completed 15 years of service with the facility. The cost impact of the January 1, 2006 improvement in the longevity benefit is a new cost of \$13,200 for the entire unit. The cost impact of the January 1, 2007 increase in senior pay is a new cost of 1% of payroll for the 40 (of 42) unit members having completed 15 years. That computes to \$35,268, based upon the new base salary as of January 1, 2007, reduced by the two unit members not yet qualifying. These cost figures are in addition to the base salary and salary increase costs as follows [from Exhibit C-74]:

2005:	total unit base	=	\$3,514,964
	2005 increase	=	103,530
2006:	total unit base	=	3,641,802
	2006 increase	=	126,838
2007:	total unit base	=	3,795,408
	2007 increase	=	153,606
2008:	total unit base	=	3,954,147
	2008 increase	=	158,739

This Discussion and Analysis concludes with a summary of the findings with respect to the issues in dispute on an individual basis. It is particularly important to be aware that these determinations are not made individually but quite carefully as part of an overall package. Especially significant in the case at hand is the recognition that elements of the package which were agreed upon and no longer in dispute have been considered with equal importance to those remaining in dispute. Although every element of every statutory criterion was considered, those having the greatest impact on each issue are identified.

The Arbitrator finds that the most reasonable resolution of the **Longevity** issue is to award the improvements set forth in the pattern bargained with other units, including the Correction Officers rank and file unit. The implementation date shall be January 1, 2006, as proposed by the Union. The statutory criteria having the greatest weight in reaching this determination were: the public interest; internal

comparability; external comparability; and the financial impact on the governing body and the taxpayers.

The Arbitrator finds that the **Clothing Allowance** increase proposed by the Union is not to be awarded in the 2005-2008 contract. The existing level of \$1,150.00 per year is most reasonable for the current contract term. This determination was made with greatest weight attributable to the following criteria: the public interest; internal comparability; external comparability; the financial impact on the governing unit and the taxpayers; and the traditional bargaining history aspect under the continuity and stability of employment criterion.

The **Shift Differential** increase proposed by the SOA is rejected because there was very little support for this proposed dramatic increase, when applying the statutory criteria to the factual evidence. The criteria given most weight were: the public interest; comparability; and the financial impact on the governing unit and the taxpayers.

The **Senior Pay** issue required a careful balancing of several factors. There were several that suggested conflicting results when seeking the most reasonable disposition. Implementing a 1.0% senior pay level after the completion of 15 years reflected some measure of internal comparisons with the benefit provided in the rank and file contract. The unit-wide cost implications weighed in favor of moderating the percentage components. The maximum pay and longevity comparisons with Superior Officers in other counties weighed toward some new improvement to a total of 2.5% at the 20 year level, despite an inconsistency with the rank and file unit that saw no increase in its 20 year level. The implementation date of January 1, 2007 is designed to further balance the new cost aspect of the benefit. In the end, every criterion but the stipulation of the parties was given some weight in reaching the determination as to senior pay.

The record was not convincing with respect to the Employer's proposed addition of a Sergeants Step in the salary scheme. Although there are a few other counties

with such a structure, the facts were decidedly not compelling for implementing the added step in the current contract. The key factors in making that determination are the public interest and internal comparisons with Superior Officer Units in Middlesex County.

Similarly, the record presented no convincing basis for implementing the Union's proposal for **Out of Title Pay**. The Arbitrator rejects the proposal for implementation in the 2005-2008 contract.

A W A R D

For the foregoing reasons IT IS HEREBY ORDERED that all issues in dispute at this interest arbitration be resolved as follows:

(1) The duration, negotiated wage increases and all other prior agreements in these negotiations shall be implemented and incorporated in the parties' collective bargaining agreement.

(2) Effective January 1, 2006, Article 19, Longevity, shall be modified to provide: All eligible employees are entitled to receive longevity based upon their base salaries (maximum base \$30,000) as of December 31st of the previous year of service starting as follows:

9 through 15 years of service	- 4% = \$1200
16 through 20 years of service	- 6% = \$1800
21 years and over	- 8% = \$2400


(3) The shift differential provision in the collective bargaining agreement shall continue as it currently exists, without change.

(4) Effective January 1, 2007, the contract shall provide senior pay of 1.0% of base pay for unit personnel who have completed 15 years of service. After the completion of 20 years of service the senior pay shall increase by an additional 1.5% of base pay, to reflect a total of 2.5%.

(5) The County's proposal for adding an introductory step to the Sergeants salary structure is rejected and shall not be implemented in the 2005-2008 collective bargaining agreement.


(6) The Union's proposal for new out of title work language is rejected and shall not be implemented in the 2005-2008 collective bargaining agreement.

Dated: December 26, 2007
Skillman, N.J.



Joel M. Weisblatt
Arbitrator

On this 26th day of December, 2007, before me personally came and appeared Joel M. Weisblatt, 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 the same.



Attorney-at-law