

**NEW JERSEY PUBLIC EMPLOYMENT RELATIONS COMMISSION**

In the Matter of Interest Arbitration Between

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**TOWNSHIP OF WOODBRIDGE,**

“Public Employer,”

-and-

**PBA LOCAL 81,**

“Union.”

**INTEREST ARBITRATION  
DECISION  
AND  
AWARD**

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IA-96-119

**Before  
James W. Mastriani, Arbitrator**

**Appearances:**

**For the Employer:**

James J. McGovern III, Esq.  
Genova, Burns & Vernoia

**For the Union:**

Richard D. Loccke, Esq.  
Loccke & Correia

## **BACKGROUND**

The Township of Woodbridge and PBA Local 35 are parties to a collective bargaining agreement which expired on December 31, 1995. That agreement covers approximately 149 police employees below the rank of sergeant. Negotiations over a successor agreement reached impasse and, pursuant to PERC's rules, I was appointed as interest arbitrator on January 21, 1997. After mediation which served to narrow, but not to resolve the issues, I held formal hearings on July 21 and 22, and on August 18, 1997. At the hearings, the parties argued orally, examined and cross-examined witnesses and submitted extensive documentary evidence into the record. The parties filed posthearing briefs on September 29, 1997 and on November 13, 1997, the Township filed a reply brief.

The parties have agreed upon final offer arbitration to resolve these disputes. The Commission approved the party's request to proceed under the alternative terminal procedure. Under N.J.S.A. 34:12A-16c(6), I am empowered to decide between the last offer of the Township or the last offer of the PBA, based upon their economic issues as a single package. With respect to non-economic issues, I am to select either the final offer of the Township or the PBA for each issue.

The Township is located in Middlesex County. It has a population of approximately 95,000 residents over twenty-three (23) square miles. Sixty percent (60%) of its valuation is from residential property and thirty-four percent (34%) from commercial and industrial property. There are major suburban shopping malls in the Township. Major arteries such as the Garden State Parkway, New Jersey Turnpike, Routes 1 and 9 and Route 35 run through the Township.

The Township has maintained a stable tax rate. The municipal budget has increased only 5.1% since 1994. This rate of increase is less than one-half of the increase in the rate of inflation which rose by 10.7 percent and less than the State budget which has increased by 13.1%. In 1998, the Township used a CAP of 3.0% and projected a budget well within the state mandated CAP limitation. Its tax collection rate of 99.98% is an example of its fiscal management. This collection rate has increased from 96.04% in 1992.

**The parties' final offers are as follows:**

## **FINAL OFFERS**

### **Township of Woodbridge**

#### **Economic**

**Duration**      January 1, 1996 to December 31, 1998

<b>Wages</b>	January 1, 1996	2%
	July 1, 1996	2%
	January 1, 1997	2.5%
	January 1, 1998	2.5%

#### **Insurance Benefits (Article XII)**

For new hires on or after January 1, 1997,  
increase KVI deductible to:

\$200 single  
\$400 family

Create a PPO within the KVI plan by which  
employees can receive benefits of lower deductibles and  
co-pays. Membership in PPO will be on a voluntary  
basis.

#### **Uniforms**

Effective January 1, 1998, the Township agrees  
to include the \$700 uniform allowance in unit members'  
base salaries by dividing the number of pay periods in  
the year into \$700.

### **Tuition Reimbursement (Article XXXII)**

Effective the date of the award, the Township agrees to increase tuition reimbursement to thirty-five dollars (\$35) per credit for undergraduate courses and fifty dollars (\$50) for graduate courses. A Committee consisting of three (3) representatives of the Township and two (2) representatives of the PBA shall be established to determine the type of college courses and degree programs which qualify for tuition reimbursement. The Committee shall make binding recommendations to the Administration on the courses and degree programs which qualify for tuition reimbursement. The final decision of the committee to reject payment is subject to the grievance procedure.

### **Holidays**

Effective January 1, 1998, the Township agrees to include payment for ten (10) holidays in base pay calculated by dividing the officers' base rate of pay including senior officer differential (if applicable) and longevity by two hundred and forty-three, then multiplied by ten.

### **Non-Economic**

#### **Create Special Health and Welfare Committee**

Create Special Health and Welfare Committee to be administered by a Committee of two (2) union members and the Business Administrator and the Chief Financial Officer. The Committee will be funded by contributions of the Township of 10% of the cost savings achieved as a result of a unit member's eligible cost savings idea, as set forth below. The contributions will be used to provide benefits or assistance to unit members not covered by Township provided benefits

who the Committee determines as deserving of such assistance. The Committee will set the criteria for eligibility for assistance. The cost savings idea must be original, must be implemented and must result in a net cost savings to the Township.

#### **Article XXXIX, General Order Regarding Scheduling, Manning and Shift Selection**

Add to the second paragraph after the first sentence: "The Township may deviate from an employee's selected shift when special skills/qualifications are required in a shift, in cases of emergency or in extraordinary circumstances."

Revise the third paragraph to read: "Newly appointed members will be placed on any shift so selected by the Chief and/or Patrol Division Commander for the employee's first three years of employment based on Departmental need and for purposes of continued training. The November 1st following the completion of the employee's third year of service, the employee will select shifts based on the bid system using Departmental Seniority list of current use."

#### **Woodbridge PBA Local 38**

#### **Economic**

**Duration**      January 1, 1996 to December 31, 1998

<b>Wages</b>	January 1, 1996	2%
	July 1, 1996	2%
	January 1, 1997	2%
	July 1, 1997	2%
	January 1, 1998	2%
	July 1, 1998	2%

### **Executive Board Meetings**

The PBA proposes that Executive Board members of the PBA, if working, be permitted to attend the monthly executive board meeting. Anyone who is working would be required to be in the uniform of the day and would be subject to call.

### **Longevity**

Additional one percent (1%) increase at the 24th year level effective in 1998.

### **Holiday**

Effective January 1, 1998, the ten holidays which are currently paid to police officers be folded in to base pay.

## **Non-Economic**

### **Uniforms**

Employees would be permitted to wear turtleneck shirts during the cold periods of the year.

### **Priority for Overtime**

Offer overtime for regularly scheduled shifts and details to regular full time employees first, in order of preference, based upon a rotating seniority roster.

### **Law Enforcement Funeral Detail**

Create a new law enforcement funeral detail of up to four (4) Association members to represent the Local Department in an official capacity to attend funerals in and out of state for law enforcement officers who have died in the line of duty within a geographical circumference of three hundred (300) miles.

## **POSITIONS OF THE PARTIES**

### **Position of the Township of Woodbridge**

The Township offers the PBA increases consistent with those increases provided to the other ten bargaining units for the same period. The Township also proposes to increase the deductible on insurance benefits for new hires, while providing a PPO option. This proposal is also consistent with the settlements with the other ten units bargaining with the Township. The Township considers most important the internal pattern of the settlements reached with its other bargaining units and the financial impact of the award on the Township's residents and taxpayers.



Based upon a total of 149 officers and including step and longevity increases during the contract term, the Township estimates the cumulative cost of the PBA's proposal as \$1,697,080. In contrast, the Township's estimate of the cumulative cost of its wage proposal as \$1,259,004. The Township calculates further that the PBA's proposal would cost the Township an additional \$438,076.

**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.**

The Township argues that the most important factor in this case is the internal pattern created by its settlements with the other ten bargaining units, including the Superior Officers' Association (SOA). According to the Township, the internal pattern has been applied historically since at least 1984, with the exception of the calendar years 1990 and 1991, in which the contract was resolved as the result of an arbitration award. According to the Township, the PBA has not provided evidence supporting its proposal for a wage increase in excess of that granted to all other Township employees. The Township maintains that its final offer to the PBA includes the wage settlement, insurance deductible changes and PPO option accepted by the other ten bargaining units in the Township. The other ten bargaining units in the

Township also agreed to create a Special Health and Welfare Committee, which is one of the Township's non-economic proposals. The Township places great significance on the fact that the SOA agreed to the same proposals currently before the PBA. That is, the SOA agreed to the Township's wage increase proposal as well as the fold-in of the uniform allowance and holidays, increased tuition reimbursement and the creation of the Special Health and Welfare Committee. The SOA did not receive the increase in longevity payment for employees with 24 or more years of service that is sought by the PBA.

The Township asserts that the longevity increase sought by PBA, which it costs out at approximately \$11,852, is unreasonable because all Township employees currently have identical longevity schedules for all employees hired on or before January 1, 1997. Instead of increasing longevity, the Township maintains that the non-uniformed bargaining units agreed to "freeze or eliminate" longevity for new hires.

The Township contends that the internal pattern is entitled to greater weight than comparison with other police departments, both within and outside of Middlesex County. The Township submits that the communities which the PBA suggests are comparable to Woodbridge all have higher per capita incomes than do the residents of

Woodbridge. The Township urges examination of the actual salaries received rather than percentage increases received by police officers in other departments. To the extent that an external comparison is apt, the Township would compare itself with other communities in Middlesex County based upon geographic proximity and similar socio-economic and financial standing, rather than communities in Bergen, Burlington, Mercer, Ocean and Passaic Counties. The Township rejects comparisons of communities such as Fair Lawn (per capita income \$22,418) or Teaneck (per capita income \$23,867) where the per capita income far exceeds the average per capita income in Woodbridge (per capita income \$18,213).

The Township asserts that comparison to the private sector shows that the salaries of police officers are "extremely favorable" when compared to the private sector. The Township calculates that PBA members current salaries exceed average private sector salaries by approximately 63%. According to the Township, private sector increases nationally were around 2.4% in 1995 and 2.8% in 1996. The Township points out that its proposal compares favorably to private sector settlements in New Jersey where settlements it cites varied from no increases for boilermakers at Quickway Metal to 2% annual increases for electrical workers at New Jersey Central Power and Light.

### **The Financial Impact on the Township, its Residents and Taxpayers**

The Township emphasizes that it has taken extraordinary measures over the last few years to keep the tax rate stable and to maintain programs and services. These measures have included a reduction in force of approximately 100 full-time municipal employees as well as several part-time and seasonal employees. The only department not effected by the reduction in force is the Police Department.

While the municipal tax rate remained stable in 1996 and 1997, the Township asserts that it will be increasingly difficult to maintain the same tax rate in 1998. Several costs have increased, including sewer utility costs, health insurance liability stemming from the Township's self-insurance plan, the end of federal grants to offset the hiring of new police officers, and Township payments for participation in the PERS and PFRS Early Retirement Incentive Program as well as the wage increases already negotiated.

After voters defeated a \$157 school tax increase, school taxes were increased by \$100. According to the Township, this is a serious burden because Woodbridge has a significant population of retirees on fixed income and the remainder of the population is the working middle class. The Township cites evidence of a long history of resident defeat and disapproval of property tax increases, school board

budgets, and bond issues. In light of this history and in light of the testimony that the Township would have to either raise taxes or cut appropriations in other areas to fund the PBA's proposal, the Township asserts that its proposal is more reasonable

### **The Interests and Welfare of the Public**

The Township argues that its economic package is more reasonable when the public interest is considered because it would maintain current levels of taxation without cutting services. The Township notes that it has budgeted for its final offer in its 1996, 1997 and 1998 budgets. Therefore, according to the Township, an award of any amount above those budgeted would lead to either budget cuts or tax increases. The Township points to other future drains on its budget, including a Township Sewer Utility deficit of approximately \$700,000, the annual \$185,975 payment for the Township's participation in the PFRS and PERS Early Retirement Incentive Program, a one million dollar increase in the Township Insurance Reserve, and wage increases of \$750,000 already agreed to with the Township's other bargaining units. The Township also raises concerns about whether its "aging and working middle class population" (1T-11, brief at 34) could afford a property tax increase. The Township also notes that the PBA's offer exceeds the Township's financial planning because it contains rollover into 1999.

The Township recognizes the public also has an interest in a properly staffed and educated police force, but asserts that its Police Department is both well staffed and well educated. Mayor James McGreevey recently recognized the Police Department's excellent performance. (P-4).

However, the Township notes that the Police Department has grown while other departments have experienced layoffs. The Township notes there is little turnover in the Police Department and at least thirty applicants on the waiting list seeking to join the force. According to the Township, the complement of officers is currently down by two is that two officers were promoted to the SOA unit within the two weeks prior to the hearing. The Township asserts that the number of police officers has actually increased since the last interest arbitration.

#### **The Overall Compensation Presently Received by the Employees**

According to the Township, the annual base salary of the average officer in the unit is \$49, 583 at 1995 rates and their average total cash compensation excluding benefits is \$52, 321 per year. The Township asserts that its police officers work approximately one third fewer days annually than the average of other police officers

in Middlesex County (T-42). The Township also asserts that its police officers are among the top wage earners among its employees and earn far more than private sector manufacturing employees in Middlesex County who earn an average of \$30,000. The Township also asserts that the increases received by its police officers from 1993 through 1996 (including its 1996 proposal) have exceeded the Consumer Price Index by 63%. The Township asserts that awarding the PBA's proposal would increase the pay gap between Woodbridge police officers and its taxpayers.

#### **The Lawful Authority of the Township**

The Township approximates that the total cost of the PBA's proposal is \$438,076 more than the Township has budgeted for police compensation without rollup. These are cumulative costs over the three year period. According to the Township, it can not, as PBA asserts, simply use the CAP bank to cover the cost of the PBA's proposal. Rather it must consider competing financial needs for the funds in its CAP bank. Additionally, the Township asserts that using the funds in the CAP bank to fund the PBA's proposal would lead to higher property taxes or cuts in personnel and programs.

### **The Cost of Living**

The Township relies upon the CPI-U which was 3.0 percent in 1993, 2.6 percent in 1994, 2.5 percent in 1995 and 3.3 percent in 1996. At the time of the hearing the CPI-U for 1997 was 2.8%. The Township notes that the PBA has received increases of 6 percent in 1993, 4 percent in 1994, 4 percent in 1995 and, pursuant to both its and the PBA's final offer, 4 percent in 1996. The Township asserts that the PBA has failed to provide evidence justifying its proposal in light of the current CPI.

### **Continuity and Stability of Employment**

The Township asserts that the length of service for the average police officer is 11.4 years and 46 officers have over 15 years of service in the department. The Township also points out that no police officer has ever been laid off and currently there is a waiting list of 30 candidates seeking to join the force. The Township notes that police officers are not leaving for other police departments and the Department has not been affected by downsizing or privatizing. In light of the current job market in the public and private sectors, the Township asserts that its proposal is sufficient to compensate its police officers and provide them with continued job security.



The Township asserts that the PBA's proposal regarding officer attendance at PBA Executive Board Meetings impinges upon its managerial prerogative and is not a mandatory subject for bargaining.

### **Non-Economic Proposals**

The Township argues that PBA's proposal for turtleneck wear should be rejected because determination of daily uniforms and seasonal attire are not mandatory subjects of bargaining. The Township also seeks rejection of the PBA's proposal to change overtime scheduling because the PBA has not submitted evidence demonstrating the necessity for the change. Nor has the PBA submitted evidence as to the need for four policemen to attend funerals for fallen comrades. Therefore, the Township urges rejection of that proposal as well.

The Township urges adoption of its Special Health and Welfare Committee Proposal because it was adopted by all other bargaining units in the Township and the PBA has failed to show why it should not be adopted. The Township also urges adding to the contract a clause allowing it to deviate from an employee's selected shift when special skills are required in emergencies and extraordinary circumstances. The Township also seeks to amend the PBA contract to provide that the Chief may

schedule police officers with less than three years of seniority based upon Departmental and training needs. According to the Township, it seeks to define "inherent managerial prerogatives" in shift scheduling and training.

### **Position of the PBA**

The PBA seeks recognition for the exemplary level of service provided to Township residents. Specifically, the PBA argues that its members have earned increases in line with those provided to police officers in comparable jurisdictions and that the Township can afford the increases proposed by the PBA within the CAP law and with minimal financial impact on taxpayers.

### **The Interests and Welfare of the Public**

The PBA points out that the Township is a large municipality which, according to the New Jersey Uniform Crime Report, ranks at or near the top of the list of criminal activity statistics for each crime among all municipalities in Middlesex County. In addition to the work load that goes along with significant criminal activity, the PBA notes that routine police activity has increased steadily in recent years. The PBA relies upon the statistics contained in the 1996 Patrol Division Annual Report, which indicates steady annual increases in the total number of radio

alarms from 1993 through 1996. The PBA also points to similar increases in other radio patrol division activity and to increases in computer aided dispatch.

As additional evidence of demands being placed upon its members, the PBA notes the effort the Township has undertaken to achieve accreditation under Township General Order 187 and the recent statement by Mayor McGreevey that "the interest of the citizens of Woodbridge Township are well served by the performance of our police officers". (P-4).

The PBA also asserts that manpower in the department is down. This argument is based upon its calculation that 36 officers have joined the bargaining unit between January 1, 1994 and the first day of hearing on July 21, 1997 and 38 officers have left the bargaining unit during that same period. According to the PBA, this problem is compounded by the time it takes for a new employee to go to the police academy. The PBA calculates that 36 employees have spent almost six months each at the police academy, which over the last three and one half years comes to approximately "13 man years of time." Additionally, new officers require on the job training by more senior officers.

### **Comparison of Wages, Salaries and Conditions of Employment**

PBA urges comparison of Woodbridge police salaries with the salaries of police officers in comparable jurisdictions. According to the PBA, comparison with East Brunswick, Edison, Linden, Rahway, Sayreville, Teaneck, Hackensack, Dover, Lawrence, Paramus, Englewood and Hamilton reveals an average salary of \$55, 979 at 1995 top step rates. PBA points out that the average 1995 top step rate for Woodbridge police officers is \$50,309. According to PBA, it chose the comparables because they are, as here, large police departments in large suburban communities with large shopping centers or malls and major state or interstate roadways passing through the municipality. PBA notes that even limiting the comparison to other police departments in nearby Middlesex County, East Brunswick (\$54, 167), Edison (\$52, 627) and Sayreville (\$51, 688) all have top step salaries significantly above the Woodbridge top step patrol officer. Nearby Linden (\$51,688) and Rahway (\$50,928) in Union County also compensate top step police officers at a higher rate than does Woodbridge, according to the PBA. Although it does not seek that amount in this proceeding, the PBA points out that a \$5,670 pay increase would be necessary in 1995 to bring Woodbridge police officers up to the average among the comparable large suburban municipalities.

The PBA also points to most of the same comparable municipalities to demonstrate that patrol officers in those jurisdictions earn higher percentages of longevity pay with maximums ranging from 9.5% in Englewood to 14% in East Brunswick. PBA contrasts these maximums, which it calculates to average at 11.05%, with the maximum of 8.5% in Woodbridge which is the lowest among the comparable large suburban municipalities. This data supports its demand for an additional 1% in longevity at the twenty fourth (24th) year level effective in 1998. PBA criticizes the longevity data supplied by the Township because it uses eleven years of service when longevity increases are typically provided in multiples of three or four years. PBA also criticizes the municipalities chosen by the Township as comparable suggesting that the parallels between Woodbridge and smaller municipalities such as Jamesburg or Helmetta are few. As a point of comparison, the PBA notes that the Woodbridge police officer clothing allowance is lower than provided to police officers in the comparable large suburban municipalities.

The PBA also views the base wage increases in comparable municipalities as an important basis for comparison. Based upon the municipalities chosen for comparison on this point, which include the municipalities mentioned above, as well as several with contracts covering 1996, 1997 and 1998, PBA calculates average annual increases on base wages of 4.497% in 1996, 4.178% in 1997 and 4.27% in

1998. Additional jurisdictions used by the PBA in this comparison include West Caldwell, Manasquan, Paterson Housing Authority, South Amboy and the Middlesex County Police. The PBA compares the average increases to base wages with its final offer which would result in 4% annual increases in rate and 3.67% in payout. PBA asserts that even its final offer will result in a worsening of its position with respect to comparable municipalities.

The PBA compares its final offer to the averages among contracts in Middlesex County and nearby municipalities in Middlesex County. According to the PBA, the average increase for police officers in these municipalities in 1996 is 4.2%, and 4.6% in 1997 and 4.813% in 1998. PBA also stresses the recent settlement in South Amboy of 4% on January 1 of 1996, 1997 and 1998 and awards covering the Middlesex County and Perth Amboy police departments. The Middlesex County award, which is 4% in 1996 (split 2% in January and 2% in July), 3.75 in 1997 (2.25% in January and 1.5% in July), and 4% in 1998 (split 2.5% in January and 1.5% in July). The Perth Amboy award also included a 4% increase in 1996 in the form of 2% in January and 2% in July, followed by 4% on January 1, 1997 and January 1, 1998.

PBA stresses the importance of giving more weight to the comparison of police officers to other police officers, rather than to other municipal employees or to employees in the private sector. In support of its argument, PBA notes that it has on many occasions received additional value over other Township bargaining units. There is no long standard pattern limiting its wage increases to the municipal employees. The raises have been the same in some years and greater in others. PBA discounts the Township's settlement with the SOA because the SOA's agreement insures that superior officers will continue to maintain an 11% rank differential over the patrolmen. PBA emphasizes that the Board of Fire Commissioners and the IAFF have entered into an agreement calling for a 3.75% increase in 1997, 4% in 1998, 4.25% in 1999 and 4.5% in 2000, plus a longevity increase.

The PBA argues that the great weight should not be placed upon private sector comparisons because there are few comparable professions in the private sector.

### **Stipulations of the Parties**

The PBA asserts that the only stipulations between the parties were procedural.

### **Lawful Authority of the Employer**

The PBA argues that there is no legal limitation upon the Township's funding of its final offer. Relying upon the testimony of Finance Officer Mr. McCormac, PBA asserts that the Township has not used the CAP flexibility available to it over the years at issue and that there will be CAP flexibility carried over into 1999. Thus, there is no showing that the adoption of its offer would interfere with the Township's lawful authority.

### **The Financial Impact on the Township, Its Residents and Taxpayers**

The PBA argues that the cost of its final offer to the taxpayer would be minimal. The PBA points out the difference between the cost of its final offer and the Township's final offer is approximately \$138,000 over the life of the contract. After calculating the impact of that amount on the average tax bill, the PBA arrives at an approximate cost of \$2.40 per taxpayer over the life of the contract. In the PBA's view this financial impact on taxpayers is minimal.

The PBA also notes that the municipal share of Township property taxes is approximately 18% and in 1997, the tax collection rate for the Township was



99.98%, indicating that Woodbridge residents do not appear financially unable to shoulder their tax burden. PBA notes that the Township's ratable base is the second highest in Middlesex County and that the town has opportunity for future growth. PBA points out that only 29% of Woodbridge voters turned out to vote on the most recent school budget.

### **Cost of Living**

The PBA asserts that cost of living should not be a significant factor in this case because the parties have no disagreement on salaries in 1996, and for 1997, the cost of the PBA's final offer is virtually the same as the 3% CPI and figures for 1998 will not be available until late in 1998.

### **Overall Compensation Received by Employees**

The PBA argues that Woodbridge police officers are compensated below area standards and the Township's proposal to create a PPO within the current plan would reduce benefits and decrease the value of the Township's offer. The PBA raises several questions about the proposal for the new PPO and the potential impact it might have on police officers and on the cost of the Township's proposal. The PBA

claims that the PPO is not included in the contracts for school employees or for other municipal employees.

### **Non-Economic Proposals**

The PBA urges rejection of the Township's proposal to create a health committee because the purpose of the committee has not been adequately explained. The PBA also objects to the Township's proposal to revise the scheduling procedure for police officers hired in the future. The PBA claims the proposal has economic implications for all officers in the department and the Township has not submitted justification for this proposal.

The PBA seeks contractual permission to wear turtle neck sweaters, which, it maintains, is already a common practice. The PBA also seeks codification of the practice of permitting working officers who are members of the Executive Board to attend its monthly Executive Board meetings while in uniform and subject to call and the inclusion of a provision creating a law enforcement funeral detail of up to four (4) association members.

## DISCUSSION

The focal point of both economic final offers in salary increases. Both parties seek a three year agreement with identical 2/2 split proposals for 1996. For the remaining two years, the Township proposes 2.5% effective January 1, 1997 and 2.5% effective January 1, 1998. The PBA proposes 2/2 splits in January and July for 1997 and 1998 as well.

Based upon a total annualized base salary figure of \$74,374 equally one (1%) percent in 1995, the amount of the increases proposed by the Township in 1996 is \$224,609 plus a rollover of \$75,861 into 1997. The amount of the increases proposed by the Township is \$193,447 in 1997 and \$198,283 in 1998. The amount of the increases proposed by the PBA is the same as that of the Township for 1996. For 1997, the amount of the increases proposed by the PBA is \$233,683 plus \$78,926 rollover into 1998. For 1998, the amount of the increases proposed by the PBA is \$243,124 plus \$82,115 rollover into 1999. The difference in the proposals in terms of new money cost is zero in 1996, \$40,234 in 1997 and \$123,767 in 1998, plus rollover of \$82,1115 in 1999. For the duration of the three-year agreement, the difference in total new money cost in percentage terms is 0% in 1996, 0.54% in 1997 and 1.66% in 1998. The net economic cost in percentage is 9% over three years for the

Township's offer and 11.0% over three years for the PBA's demand with a one (1%) rollover chargeable into contract year 1999.

In addition, the parties both propose to fold in to the basic rate pay for ten holidays effective January 1, 1998. The Township would also fold the uniform allowance of \$700 into the basic rate on that same date. The PBA would add 1% in longevity payments at the 24th year, effective January 1, 1998. The parties agree that the cost of the increased longevity payments would be \$11, 852 or 0.2% over the life of the contract.

I am required to make a reasonable determination of the above issues giving due weight to those factors set forth in N.J.S.A. 34:13A-16g(1) through (8) which I deem relevant to the resolution of these negotiations. I am also required to indicate which of these factors are deemed relevant, satisfactorily explain why the others are not relevant and provide an analysis of the evidence on each relevant factor. These factors, commonly called the statutory criteria, are as follows:

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

(2) Comparison of the wages, salaries, compensation, hours and conditions of employment of the employees involved in the arbitration proceedings with the wages, salaries, compensation, 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 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 employee's contract in the preceding local budget year with that required under the award for the current local budget year; the impact of the award for each income sector of the property taxpayers of the local unit; the impact of the award on the ability of the governing body to (a) maintain existing local programs and services, (b) expand existing local programs and services for which public moneys have been designated by the governing body in a proposed local budget, or (c) initiate any new programs and services for which public moneys have been designated by the governing body in a proposal 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.

The statutory criteria have been considered as well as the arguments expertly advanced by respective counsel. I conclude that all are relevant to the resolution of the dispute, although as set forth, not all have been accorded identical weight. As required by law, I have also decided the total net annual economic changes for each year of the three year award. For the reasons set forth I conclude that although each proposal is not unreasonable, I select final offer of the PBA.

The law requires that I not deviate from a selection of one or the other. The averaged annualized cost of the PBA proposal is 3.66 over three years with a one (1%) rollover, which is a chargeable cost for contract year 1999. There is an additional 0.2% in year 1998 for longevity.

**The interests and welfare of the public; considering, inter alia, the limitation imposed upon the employer by the CAP Law, N. J. S. A. 40A:4-45.1 et seq.**

Analysis of the public interest and welfare in the Township of Woodbridge reveals that the public seeks both a well-trained and effective police department and a stagnant or lower tax burden. The Administration recognizes the desirability of attaining excellence in services provided at affordable costs. The record demonstrates that the citizens of Woodbridge currently have an effective police department and that its elected officials recognize this. Indeed, Mayor McGreevey recently stated that "the interest of the citizens of Woodbridge Township are well served by the performance of our police officers". (P-4). Additionally, the Township is currently dedicating additional funds to improve the performance of the Police Department by seeking State accreditation. The stated purposes of the Township's effort to seek accreditation are to:

- A. To increase agency capabilities to prevent and control crime.

B. To increase agency effectiveness and efficiency in the delivery of law enforcement services.

C. To increase cooperation and coordination with other law enforcement agencies and with other agencies of the criminal justice system.

D. To increase citizen and employee confidence in the goals, objectives, policies and practices of this agency.  
(P-73).

Both parties argue vigorously over the rise and fall in staffing levels within the department and the PBA asserts that police officers are being asked to do more with fewer staff. The record demonstrate that the number of patrolmen has been essentially stable since the last interest arbitration. (P-3). However, the record also demonstrates that the workload has increased significantly over that same period. Specifically, the NJ Uniform Crime Reports (P-14), the 1996 Patrol Division Annual Report (P-6), the computer aided dispatch, Detective Division statistics for 1996, and the 1996 Woodbridge Police Department communications and data processing division report all demonstrate significant increases in police activity since 1993.

In contrast, the Township has listed a series of financial burdens that compete with its police officers for a share of its limited funds. Township Chief Financial Officer John McCormac testified that the 1996 and 1997 budgets have been below the CAP and funds have been included in the CAP bank. The initial budget for FY 1998



was also estimated to be below the CAP, however, the increased estimate of the financial risk involved with pending tax appeals has increased by \$900,000. As a result, the Township's amended budget, instead of being about \$400,00 below the CAP will estimate that approximately \$500,000 of the CAP bank will be dedicated to the settlement of these appeals. (3T-6). The Township's tax rate has remained stable in 1996 and 1997, and the current budget estimates for 1998 also include a stable 89 cent tax rate. However, since both parties' proposals for 1996 are the same, and the impact of the differences in the proposals in 1997 is one half of one percent, and the impact of the difference in the proposals in 1998 is one and one half percent, the differences between the Township's final offer and the PBA's final offer would most significantly impact the 1998 budget, with the impact of some rollover carrying into 1999. Therefore, according to the Township, there is a potential for tax increases or budget cuts, both of which would have a significant impact on taxpayers.

On balance, the evidence demonstrates that the public interest in maintaining and rewarding an effective and well trained police department would served by both proposals. The PBA's final offer is more consonant with the public interest and welfare. The increase in police activity and the accreditation program outweigh the potential for a slightly increased tax burden after a slight cut in the municipal tax rate in 1994 (one cent) followed by two years of stable taxes.(1T 72-73). Additionally, the

does not reflect the PBA's final offer, although 2% higher over the three-year period would cause the Township to exceed its CAP during the life of the agreement.

**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**

I do not give substantial weight to the comparison of Township police officers with those in private employment in this instance. The Township has proffered comparisons between the increases its offers and settlements with paper workers, boilermakers, electrical workers and certain health care workers and oil, chemical and atomic workers in New Jersey. But what is absent among these comparisons is the common ground between the training, skills, or responsibilities of these positions and those required of police officers. For example, police officers must pass a battery of tests and attend the police academy as prerequisites to performing police duties. They are required to undergo continuing specialized education to maintain their positions. While some of the private sector positions may have apprenticeship requirements, there is no showing that the requirements for those positions compares to those of police work.

The Township compares the average yearly salary of \$30,925 for private sector production manufacturing workers nationally in 1997 with the 1995 average yearly salary of \$49,278 for Woodbridge police officers. The great disparity in salaries can be attributed, at least in part, to the lack of comparability between production manufacturing workers and police officers responsible for public safety. For example, manufacturing workers typically have minimal public contact and rarely face the risks associated with maintaining the public health, safety and welfare.

Neither the Township's nor the PBA's final offers are far from the 2.8% average national rate increase in the private sector in 1996 and 3% increase in 1997. The cost of the increase of both final offers for 1996 is 3%. In 1997, the Township's offer of 2.5% is slightly below the national average and the cost of the PBA's offer of 2% on January 1 and July 1, 1997 is 3%. Data for 1998 was not yet available at the time of hearing or briefing.

I note that each offer is also reasonably close to the private sector data contained in the New Jersey Department of Labor report on wages covered by unemployment insurance by major industry division and within Middlesex County. The increase in construction was 3.1% in 1996, 4.6% in manufacturing, 3.5% in

services and 4.3% for total private sector. In Middlesex County the 1996 increase was 4.9% and the average rank for the county rose from sixth in the state to fourth.

Based upon this analysis, I find comparison with private sector employment, while relevant, cannot be afforded substantial weight and is not dispositive in the selection of either final offer.

**b. In public employment in general**

Given the nature of this dispute, the crux of the issue for comparison purposes is whether Township police officers should be compared to other Township employees, or to other police officers in comparable jurisdictions. Therefore, I find that a broad review of settlements in the public sector in general, as opposed to more specific comparison, while relevant should be given less weight.

I note that the settlement between the State and CWA which provides wage freezes in 1995 and 1996, followed set dollar amount increases in 1997 and 1998. On the other hand, BNA's Collective Bargaining Negotiations and Contracts report on bargaining in the public sector indicates that average wage increases in state and local government negotiated before 1995 averaged 2.4%. However, that same report

recorded the average increase for employees in protective services at 3.1% during that same period. The report suggested "a more favorable bargaining climate for at least some State and local government workers with contracts set to expire in 1995". Given the age of this data, I give less weight to this data in contrast to the significance of settlements in Woodbridge and comparable jurisdictions among Woodbridge employees and police officers in comparable jurisdictions both within and outside Middlesex County.

**c. In public employment in the same or similar comparable jurisdictions, as determined in accordance with N.J.S.A. 34:13A-16.2**

As noted above, the focus of this dispute is whether the Township police officers should be compared to other Township employees, or to other police officers in comparable jurisdictions. The Township asserts the most apt comparison is with the other ten bargaining units in Woodbridge Township. The PBA argues that police officers should be compared to other police officers within the County and in comparable jurisdictions.

The Township's argument that there is a long standing history of police settlements following the pattern of settlements of other units of Township employees requires careful review to determine the relevance and weight to be given to the

pattern of wage settlements. The following table compares the municipal pattern of settlements for Township employees other than police with the settlements for police over the same period.

### Woodbridge Township Salary Settlements 1984-1995

Year	Non-Uniformed Employees	Police
1984	4%	4%
1985	4%	4%
1986	5%	5% (increase rank differential to 9%)
1987	8%	8% (increase rank differential to 10%)
1988	6%	7.8%
1989	6.5%	6.5% (increase rank differential to 10.5%)
1990	6%	4% / 4%
1991	6.5%	3% / 4% (increase rank differential to 11%)
1992	7%	7%
1993	3%	3% / 3% (create senior officer differential for those officers with at least 23 years of service)
1994	2% / 2%	2% / 2%
1995	4%	4%

While this table shows that in some years, the police have received the same percentage increases as non-uniformed Township employees, this table also shows that the pattern suggested by the Township is by no means consistent, unbroken or

longstanding. The Township points to the break in the pattern in 1990 and 1991 was the result of an interest arbitration award. The Township points to another interest arbitration award which explicitly followed the Township pattern in 1994 and 1995. Considering both the interest arbitration award following the pattern and the interest arbitration award breaking the pattern, the PBA has been paid the same increases as other Township employees in eight out of the last twelve years. More recently, the PBA has been paid the same increases as other Township employees in only three of six years. A pattern, or the history of the PBA receiving the same increases as other Township employees more often than not is certainly an important factor to be weighed. However, there is evidence of a pattern controlling in some years, but yielding to other factors in other years. The data suggests that police settlements, in general, have outpaced blue and white collar settlements. By receiving the same settlements in eight of the twelve years has drawn wage increases of the police more closely to that of Township employees than other law enforcement results. It has also caused the PBA offer to be less on average than many of the results in surrounding communities. In reaching this result I do not conclude that the internal pattern during 1996-98 is irrelevant. I do find that it is not dispositive for these contract years. Prior wage results between police and non-police have not always been in parallel. This Award does not compel deviation in the future.

For the first time in this round of negotiations, the superior officers have negotiated separately from the patrol officers. The SOA also settled for the same wage increases provided to other Township employees. However the uniform allowance and pay for ten holidays were rolled into base pay, effective January 1, 1998, in the agreement with the SOA. While the increase is small, this benefit increases their base pay for calculation of premium pay and pensions. The SOA also received the improvements in tuition benefits included in the Township's offer to the PBA. These benefits were not included for other employees. More importantly, in its new agreement, the SOA has retained a clause from the original agreement when the superior officers were in the same unit as the patrol officers. That clause provides that the superior officers will maintain a rank differential of 11%. The existence of a rank differential, makes comparison with the SOA settlement somewhat less significant. The final terms of the SOA contract are dependent on the PBA contract. The SOA cannot receive less than their settlement, did not risk receiving more without having to attempt negotiate more.

Additionally, there is record evidence concerning settlements with the Woodbridge School Board and the Woodbridge Board of Fire Commissioners. While the School Board and the Board of Fire Commissioners are different political bodies from the Township, all three entities share portions of the same tax base.



The School Board settlement provided for normal increments, a wage freeze, and some non-based salary payments in the 1996-1997 school year. In the 1997-1998 school year teachers received a 3% increase. In the 1998-1999 school year teachers will receive a 3.5% increase. In the final year of the agreement, the 1999-2000 school year, teachers will receive a 4% increase. However, the employer also notes that "[d]ue to adjustments in salary schedules the entire bargaining unit over the four (4) years received an increase of 11.4% over the four years" including increments. (T-138). This agreement appears less in value than the final offers of each party in this proceeding.

The tentative agreement between the Woodbridge Board of Fire Commissioners and the IAFF provides increases of 3.75% in 1997, 4% in 1998, 4.25% in 1999 and 4.5% in 2000. This agreement appears to be more in value than the final offers of each party in this proceeding. Since local fire districts are allocated 5.4% of Woodbridge property taxes, the PBA suggests that this voluntary settlement without resort to interest arbitration is an appropriate comparison. The Township counters that the IAFF contract covers only 33 employees and the last interest arbitration award specifically found no parity between the firefighters and police.

The last jurisdiction which shares in the Woodbridge property tax is Middlesex County which receives approximately 16% of the taxes. The County and the PBA recently received an award settling their contract for the same three year period at issue here. In that award, Arbitrator Kurtzman awarded a 2% increase on January 1, 1996 and another 2% on July 1, 1996 and 2.25% on January 1, 1997, followed by 1.5% on July 1, 1997. County police officers will receive 2.5% on January 1, 1998 and 1.5% on July 1, 1998. In crafting this award, Arbitrator Kurtzman focused on settlements among Middlesex County law enforcement officers as well as average settlements Statewide. Notably, the Middlesex County award is identical to the increases proposed by both the Township and the PBA for 1996. For 1997, the Middlesex County award provides 3.75% increase at a cost of 3% plus rollover and for 1998, the award provides a 4% increase at a cost of 3.25% plus rollover. It is noted that this award costs more than the PBA's final offer and would result in an 11.75% increase over the term of the contract. Although slightly more in cost, it is 1/4 of one percent less than the rate increase sought under PBA's final offer over a three year period.

Both the Township and the PBA urge me to consider a variety of settlements with comparable jurisdictions based upon size, suburban character, and geographic

proximity. The comparisons brought forth by each party have some merit. However, some of the larger communities in Middlesex County have not reached agreements beyond 1996. On the other hand, the smaller municipalities, including those brought forth by the Township, all have average increases for police in excess of 4% in 1996, 1997 and 1998. The following table illustrates a variety of police settlements throughout Middlesex County. In selecting these communities as a basis for comparison, I have considered the PBA's focus on large suburban communities in other counties as well as the Township's concern with communities within Middlesex County. The communities included on this table reflect the diversity of size and per capita income in Middlesex County.

#### Comparison of Police Settlements in Middlesex County

	<u>1996</u>	<u>1997</u>	<u>1998</u>
Cranbury	4.5%	5%	
Dunellen	4.5%	4.5%	5%
East Brunswick	4.5%		
Edison	4.5%		
Jamesburg	4.25%	4.25%	4.25%
Metuchen	4%	4%	
Middlesex Boro	4.3%	4.5%	
Middlesex County	2% / 2%	2.25% / 1.5%	2.5% / 1.5%
Milltown	5%		
Piscataway	4%		
Sayreville	2.5% / 2.5%		
South Amboy	4%	4%	4%
Township of	2% / 2%	2.5%	2.5%
Woodbridge Offer			
Woodbridge PBA Offer	2% / 2%	2% / 2%	2% / 2%

This table illustrates the rate of increases in comparable communities throughout Middlesex County, including larger communities, such as Edison, and smaller communities such as Jamesburg or Dunellen. The Township prefers comparison of actual salaries, hours and benefits to the rate of increase. However, the diversity among salaries, hours and benefits as well as the size, population, per capita income and level of police activities in these communities renders a comparison of rates of increase more equitable.

For 1996, the rates of income range from a low of 4%, either for the entire year, or, as in both final offers and the Middlesex County police contract, 2% in January and 2% in July of 1996. Although fewer contracts exist for 1997, they range from a low of 3.75% for the Middlesex County Police (split into 2.25% in January and 1.5% in July) to 5% in Cranbury. For those contracts extending into 1998, rates range from 4% to 5%. Looking only to the four jurisdictions with settlements for 1996, 1997 and 1998, those settlements result in average annual increases of 3.9%, 4.3% and 4.66%.

Weighing all of the relevant evidence on comparable contracts with other Township employees and police employees in other jurisdictions, I find the PBA's

offer more reasonable. In recent years, the history of the PBA receiving the same increase as other Township employees has been mixed. In contrast, increases in smaller local police departments such as Jamesburg and Cranbury have exceeded the PBA's final offer. The recent award for Middlesex County police covers relatively few police officers, but tracks closely the costs and percentage increases of the PBA's offer. Additionally, the PBA's final offer is below the increases in larger municipalities in Middlesex County, such as Edison, Sayreville and South Amboy.

**The overall compensation 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.**

The Township asserts that Woodbridge police officers are in a very good position, particularly in comparison to private sector workers. According to the Township, its police officers earn an hourly rate of \$29.20 and work approximately 149 days annually. Since its police officers work fewer days than the average of 203 days for the County but are compensated at what it deems to be average rates for the County, the Township asserts that its employees are very well compensated and that its final offer would be sufficient to maintain their present level of compensation. The Township notes that only 2.4% of Woodbridge employees fell into the same earning bracket as its police officers.

However, the PBA counters that many benefits, specifically longevity and uniform allowances are lower in Woodbridge than in other communities in Middlesex County. For example, uniform allowances in Middlesex County range from \$400 to \$1050, with an average of \$848 per year. Woodbridge provides a \$700 uniform allowance.

Review of the comparative evidence provided by the Township regarding base salaries, longevity pay, uniform allowance, health benefits, holidays, vacation, sick, terminal and bereavement leave and tuition benefits shows that the Township's benefits generally hover slightly above or slightly below the average for the County. Since neither economic package seeks to modify the relative position of the Township within the County, I find the overall compensation and benefit levels received by Township police officers to be of limited weight in selecting either the Township's or the PBA's final offer.

#### **Stipulations of the parties**

The parties have not entered substantive stipulations which bear upon this matter.

**The lawful authority of the employer; considering, inter alia, the limitations imposed upon the employer by the CAP Law N.J.S.A. 40A:4-45.1 et seq.**

The record demonstrates that the limitations imposed upon the Township by the CAP law have little impact upon selection of a final offer in this case. The testimony of Township CFO John McCormac demonstrates that in FY 1998, the Township enjoyed CAP bank flexibility resulting from \$938, 708 from 1996 and \$1,006,774 from 1997. Mr. McCormac also testified persuasively about new and increased financial demands in 1998 which may require relying upon the CAP bank. These financial demands include possible tax appeal settlements of approximately \$900,000, a Township Sewer Utility deficit of approximately \$700,000, the annual \$185,975 payment for the Township's participation in the PFRS and PERS Early Retirement Incentive Program, a one million dollar increase in the Township Insurance Reserve, and wage increases of \$750,000 already agreed to with the Township's other bargaining units.

With the exception of the potential tax appeal settlements, the other expenses cited by the Township have been included in its budget for 1998. Mr. McCormac testified that the initial 1998 budget was prepared without anticipation of dipping into the CAP bank. The Township now estimates that it may need to dip into those funds

to cover tax appeal settlements. However, the Township has not demonstrated, nor can I conclude, that the additional funds to cover the PBA's final offer for the term of the contract are not already available in the CAP bank. Nor has the Township demonstrated that funding the PBA's final offer would cause it to exceed the CAP. From this evidence, I do not conclude that there is an entitlement to the resources, but merely that the evidence does not reflect that either final offer would interfere with the Township's lawful authority.

**The financial impact on the Township, its residents and taxpayers. The arbitrator shall take into account, to the extent that evidence is introduced, how the award will affect the Township purposes element of the local property tax; a comparison of the percentage of the Township purposes element required to fund the employees' contract in the preceding 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 Township to (a) maintain existing local programs and services, (b) expand existing local programs and services for which public moneys have been designated by the Township in a proposed local budget, or (c) initiate any new programs and services for which public moneys have been designated by the Township in its proposed budget.**

According to the Township's calculations, the cumulative cost of the PBA's offer over the life of the contract, including rollover into 1999 (\$1,697,080) would



exceed the cost of its offer (\$1,259,004) by \$438,076. The Township appears to have omitted the cost of the rollover into 1997 from its calculations of its costs. Since the cost of the 1996 rollover into 1997 is \$75,861, the cost of the PBA's final offer is actually \$365,215 more than the Township's offer. Although the cumulative costs are higher, the new money cost of the PBA's final offer, compared to the Township's, is zero in 1996, \$40,234 in 1997, \$123,767 in 1998 with a rollover of \$82,115 in 1999.

The Township has indicated that it has placed the funds for the 1996 increase in reserve. Since the Township and the PBA have identical offers for 1996, the funding for the first year of the agreement has already been set aside. Similarly, the Township has budgeted for and set aside funds for a 2.5% increase in 1997. Since the cost of the PBA's final offer for 1997 is one-half of one percent above the cost of the Township's offer, the vast majority of the funding for the second year of the contract is also readily available. The record also reflects that the additional funds to cover the third year of the agreement also appear to be available without cutting services or increasing taxes.

The Township's current fiscal condition is strong. Its portion of the local property tax is approximately 18.1%. The tax rate for the township's portion

decreased in 1995 and has remained stable in 1996 and 1997. The Township plans to continue that tax rate for 1998. The Township's tax collection rate for 1997 was 99.5%, thus indicating that its citizens are fulfilling their tax burden. The explanatory statement attached to the Township's fiscal year 1998 budget indicates that the total budget is \$700,000 below that of FY 1997 and notes that:

Since 1994, the municipal budget has increased only 5.1%, less than half the rate of inflation as measured by the Consumer Price Index, which rose by 10.7 percent. During the same period, the state budget increased by 13.1%. (T-140).

The Township's CAP bank calculation shows \$938,708.40 available in the CAP bank for 1998 which will expire if not used. Mr. McCormac testified that the Township expected to devote approximately \$500,000 of that amount toward possible tax appeal settlements. However, the other new expenses mentioned by Mr. McCormac appear to be annual costs already included in the budget. The Township appears to have ample funds remaining in its CAP bank. This is on top of a stable tax rate and a budget which has steadily decreased or remained below the rate of inflation.

Woodbridge has a significant population of senior citizens on fixed incomes and a history of disapproval of property tax increases to fund the schools. It does not

appear, from the financial data offered by the Township, that a tax increase is necessary to fund the PBA's proposal. Nor does it appear that the Township's services would be reduced in order to fund the PBA's proposal. The Township has its fiscal house in order and appears able to assume the cost of the PBA's final offer without either raising taxes in 1998 or reducing existing services.

### **The cost of living**

The cost of living data submitted does tend to support the Township's offer more than the offer of the PBA. However, I do not conclude that the cost of living statistics require the adoption of the Township's final offer. The CPI increased 3.3% in 1996. This is comparable to the 2% in January and 2% in July, 1996, for a cost of 3%, proposed by both parties. For the first half of 1997, the CPI increased 2.8% compared to the 2.5% percent increase proposed by the Township and the 2% in January 1997 and 2% in July 1997, for an annual benefit to employees of 3% for 1997 from the PBA's proposal. The CPI increased slightly more than the Township's offer for 1997 and slightly less than the PBA's offer for 1997. CPI data for 1998 is not available. From the wage data reviewed in the NJDOL report referred to earlier it appears that private sector wages in Middlesex County have risen above the CPI. Considering the fact wage settlements for police services are also somewhat above

the CPI within and outside the County I do not find this factor dispositive in the selection of either final offer.

**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.**

Continuity and stability of employment would be enhanced by the selection of either final offer. The PBA has demonstrated that it receives fewer longevity benefits than several comparable police departments. For example, Woodbridge police officer longevity maximum payments are 8.5%. Edison police officers receive 2.5% for each 5 years with no maximum and Sayreville police officers receive a maximum of 10% in longevity payments.

On the other hand, the Township has demonstrated that the average patrol officer has 11.4 years of seniority and the Township has a waiting list of 30 individuals seeking to become Woodbridge police officers. I have little doubt that this figure could rise if notice of vacancies were published.

The Department, however, has had turnover with 36 new officers out of 149 total since January 1, 1994. Since that date, 38 officers left the bargaining unit. Police officers generally retired or were promoted. One new employee resigned after two weeks and another resigned after three days. Based upon these statistics, the 1% increase in longevity payments after 24 years could result in the Police Department's retention of more experienced police officers.

### **NON-ECONOMIC PROPOSALS**

#### **Create Special Health and Welfare Committee**

The Committee is included in the other ten agreements the Township has entered. The PBA asserts that the Township has not explained adequately the purpose of or the need for this Committee. However, the interests and welfare of the public and cost savings that may be attained as a result of the Committee's work suggest benefits to both parties would result from its inclusion in the contract.

#### **Article XXXIX, General Order Regarding Scheduling, Manning and Shift Selection**

The Township seeks to amend the agreement to provide greater flexibility for scheduling and training. Arbitrator Barbara Tener rejected this proposal in the last

arbitration citing the current contract language which has been in place since 1986 and an arbitrator's award upholding bidding rights for new employees. I find no basis for changing the agreement regarding scheduling at this time.

### **Uniforms**

The PBA seeks to codify the seasonal wearing of turtleneck sweaters. The Township claims this impinges on its managerial prerogative, but has not sought a determination from PERC. The PBA has not demonstrated a need to codify the existing practice.

### **Priority for Overtime**

There has been no showing that the current overtime distribution is in need of modification.

### **Law Enforcement Funeral Detail**

I do not conclude that this proposal should be adopted. If and when attendance is requested, the Township and the PBA have the ability to work out appropriate arrangements for such attendance.

### Conclusion

Based upon all of the above considerations, I select the PBA's offer as the contract for 1996-1998.

### AWARD

#### Economic Issues

The PBA's final offer is awarded.

Duration: January 1, 1996 to December 31, 1998

<u>Wages:</u>	January 1, 1996	2%
	July 1, 1996	2%
	January 1, 1997	2%
	July 1, 1997	2%
	January 1, 1998	2%
	July 1, 1998	2%

Executive Board Meetings: Executive Board members of the PBA, if working, are permitted to attend the monthly executive board meeting. Anyone who is working is required to be in the uniform of the day and is subject to call.

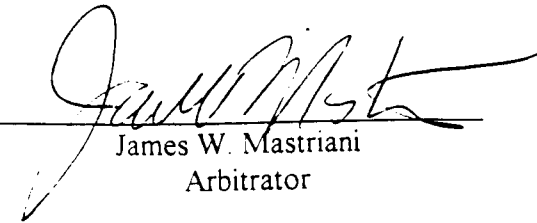
Longevity: Additional one percent (1%) increase at the 24th year level effective in 1998.

Holiday: Effective January 1, 1998, the ten holidays which are currently paid to police officers are folded in to base pay.

### **Non-Economic Issues**

The Township's proposal for a special Health and Welfare Committee is awarded. All other non-economic proposals are denied.

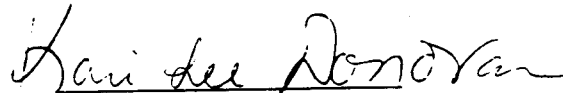


  
James W. Mastriani  
Arbitrator

DATED: February 9, 1998  
Sea Girt, New Jersey

STATE OF NEW JERSEY } ss:  
COUNTY OF MONMOUTH }

On this 9th day of February 1998, 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.



**KARI LEE DONOVAN**  
NOTARY PUBLIC OF NEW JERSEY  
My Commission Expires Oct. 3, 2000

