

**STATE OF NEW JERSEY
PUBLIC EMPLOYMENT RELATIONS COMMISSION**

In the Matter of the Interest Arbitration Between:

BOROUGH OF PARK RIDGE

AND

P.B.A. LOCAL NO. 206

Docket No. IA-2005-078

BEFORE: ERNEST WEISS,
INTEREST ARBITRATOR

APPEARANCES:

FOR THE PBA:

RICHARD D. LOCCKE, ESQ.
LOCCKE & CORREIA

FOR THE BOROUGH: JOEL G. SCHARFF, ESQ.

PRELIMINARY STATEMENT

The above parties have had a long-standing collective bargaining relationship. They are signatories to a Collective Bargaining Agreement for the term of January 1, 1998 through December 31, 2003 between the Borough of Park Ridge(Borough) and the Park Ridge police Department Employees Association.(Association)

The Association and its employees is a constituent part of PBA Local 206(PBA) with the authority to negotiate on behalf of the Association. The Borough had accepted the Association's allocation of representative during the interest arbitration proceedings. Prior to convening the formal interest arbitration hearing on December 2, 2005, the parties engaged in Collective Bargaining negotiations in attempt to settle the outstanding issues. Although most of the issues were resolved during this period, several unresolved issued remained. As a result the PBA filed an Interest Arbitration petition with the Public Employment Relations Commission and I was appointed Interest Arbitrator in accordance with the NJSA 13:3A-16 (c)(6) by the Director of Arbitration and the Public Employment Relations Commission was notified of the agreed upon terminal procedure.

Prior to my designation and subsequently, the parties engaged in a series of collective bargaining sessions and were successful in resolving most of the outstanding issues.

Initially I attempted to mediate the remaining disputes in order to help the parties reach a voluntary settlement on the remaining issues. The parties eventually resolved all the issues, except those set forth below. As a result of the continued existence of some unresolved issues, I convened a formal Arbitration session on December 2, 2005.

During the formal hearing the parties were afforded the opportunity to present documents, testimony and argument in support of their respective position. The parties were also afforded the opportunity to submit post-hearing briefs, which I received and thoroughly considered.

Since the parties agreed upon a “last best offer” form of submission in accordance with N.J.S.A 34:13A-16(c)(6), I am mandated by statute to decide the outstanding economic issues as a single package and issue by issue for the non-economic proposals in accordance with the revised statutory criteria, which are as follows:

REVISED STATUTORY CRITERIA

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

1. The interest 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, 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 service 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 jurisdiction, 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 too 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 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 the 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 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 effect 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' 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 taxpayer 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 © initiate any new programs and services for

which public moneys have been designated by the governing body in a proposed local budget.

7. The cost of living.
8. The continuity and stability of employment including seniority rights and such other factors not confined to the foregoing which are ordinarily or traditionally considered in the determination of wages, hours and conditions of employment through collective negotiations and collective bargaining between the parties in the public service and in private employment. (N.J.S.A. 34:13A-16g)

FINAL POSITIONS

The Borough's offer is as follows:

Effective January 1, 2004, base wages on the salary guide shall be increased 3.75% across the board.

Effective January 1, 2005, the 2004 guide shall be increased an additional 3.75% across the board. Effective January 1, 2006, the

Base Wages of all superior officers and patrolmen at Step PO-1, PO-2, PO-3, PO-4 and PO-5 shall increase by 3.90%.

Effective January 1, 2006, the Base Wage of Step PO-6 shall be \$43,714.00.

Effective January 1, 2006, a new Step PO-7 shall be added to the guide. The Base Wage shall be \$36,857.00.

Effective January 1, 2006, the Base Wage for Probationary employees shall be \$30,000.00. The Probationary Step will apply to the Officer for twelve (12) months from the date of appointment, or until the date of his/her permanent appointment, whichever is later, whereupon step movement shall be to PO-7.

Effective 2007, the 2006 the Base Wages shall be increased by 4.00% across the board.

Effective January 1, 2008, the 2007 Base Wages shall be increased by 4.20% across the board.

Longevity: Effective 2008, the present longevity schedule shall be increased \$100.00 for each of years 11 through 16, \$200.00 for each of the years 16 through 20, \$300.00 for each of the years 21 through 25 and \$400.00 for each of the years 26 through 30

In accordance with the above a new Salary Guide is submitted:

BOROUGH OF PARK RIDGE

Salary Guide Increases Through 2008

POSITION	2004	2005	2006	2007	2008
CAPTAIN	\$101,069.1	\$104,859.1	\$108,948.7	\$113,306.6	\$118,065.5
LIEUTENAN	93,786.89	97,303.90	101,098.75	105,142.70	109,558.69
SERGEANT	86,504.68	89,748.60	93,248.80	96,978.75	101,051.85
Officer 1	79,222.46	82,193.30	85,398.84	88,814.80	92,545.02
Officer 2	70,694.21	73,345.25	76,205.71	79,253.94	82,582.60
Officer 3	62,165.96	64,497.19	67,012.58	69,693.08	72,620.19
Officer 4	53,638.75	55,650.20	57,820.56	60,133.38	62,658.99
Officer 5	45,110.50	46,802.14	48,627.43	50,572.52	52,696.57
Officer 6	36,582.25	37,954.08	43,714.00	45,462.56	47,371.99
Officer 7			36,857.00	38,331.28	39,941.19
Probationary	26,975.00	27,986.56	30,000.000	31,200.00	32,510.40

The PBA's offer is as follows:

Wage Increase – The PBA proposes a five (5) year contract, which will provide an across-the-board 4.25% increase effective January 1, of each calendar year.

Holiday Fold-In – The PBA proposes that the holiday benefit be paid along with and folded into regular payroll. As such, the holiday benefit would be utilized for all calculation purposes. This is a modification of

contract Article X, page 6, and is intended to be effective January 1, 2006.

Longevity – The PBA proposes a modification of the contract provisions for longevity, Article VI (page 4), Paragraph (C) by increasing the rate from Two Hundred Dollars (\$200.00) to Two Hundred Fifty Dollars (\$250.00). This change is intended to be effective January 1, 2004.

In addition to the above three (3) economic issues, the PBA submits the following two (2) non-economic proposals:

Bereavement – The PBA proposes that the list of relatives defined in the Park Ridge DPW and White Collar contracts be utilized in the PBA contract. A copy of said proposed language is annexed. (Respectively)

Jury Duty – The PBA proposes a codification of the current practice within the Park Ridge Police Department regarding jury duty. A copy of the proposed language is annexed. (Respectively)

NEW: (Bereavement)

A. In the event of the death of a member of the employee's immediate family of personnel covered under this agreement, no deduction of pay will be made for absences not exceeding five (5) working days from the date of death. Immediate family will be considered parents, step-parents, mother/father-in-law, spouse, children, step-children, brother, sister, grandparents, stepbrother/sister, and any family member who resides in the employees home.

B. In the event of the death of an uncle, aunt or an employee or his spouse, the employee shall be entitled to a one day leave with pay if the location of the funeral is within a 50 mile radius of the Borough of Park Ridge; and shall be entitled to two days leave with pay, if the location of the funeral is outside of the 50 mile radius of the Borough of Park Ridge.

C. Such bereavement leave shall not be charged against the employee's vacation or sick time.

D. In the event of an extension of absence for this cause, for a reasonable period is requested, such an extension may be granted with the approval of the Chief of Police and charged against vacation time, sick time, comp. Time (sic) or taken without pay.

NEW: (Jury Duty)

An employee will be granted a leave of absence with pay for the period required for jury duty, Workmen's Compensation board hearings or appearances in court as a subpoenaed witness in a non-job related manner. Such leave will be in lieu of the employees regularly scheduled shift. Leave for jury duty will not be charges against vacation time or sick leave. The employee during jury duty, shall be paid his/her full wages less the amount per diem fee received for each day of service as shown on a statement issued by the Sheriff's or other court officer making payment of juror fees.

THE CONTENTIONS OF THE PARTIES

THE INTEREST AND WELFARE OF THE PUBLIC

The PBA stressed that the interest and welfare of the public is well served by the Officers of the Park Ridge Police Department. It is one of seventy (70) Bergen County municipalities and is in the northern section of the County. It pointed out that although there are no interstate highways passing through the Borough, there are numerous county roads and major facilities such as hotels industrial areas and a railroad line passing through this Borough of some 10,000 residences. However the PBA stressed that many more persons work in the Borough or pass through it on a regular basis.

The Police Department is a full service law enforcement agency, which serves the interest and welfare of the public very well. The PBA maintained that the record herein demonstrates substantial increased activities and challenges well executed by the members of the Police Department. In this regard the PBA presented the testimony of Officer Gary Kirk a nineteen-year veteran of the Department who testified to the high level of law enforcement activity and the need for specialization with the increased concerns of Homeland Security. He provided numerous examples of new or enhanced services, which include but not limited to the following:

Detective Bureau Increase - This used to be a part of one Officer's duty and it now occupies most of two (2) Officers. A third is added from time-to-time.

Increased D.A.R.E. This started as a part-time exercise in 1995 and now dominates the service of two (2) police officers and a sergeant assigned at least one (1) day a week.

Bicycle Safety Program - A program helping youths within the Town.

Megan's Law - The enforcement and maintenance of records in this subject area is time-consuming yet essential. It is required of all Police Departments in the State.

Domestic Violence - The witness described the increase in domestic violence activity as well as the level of impact on the Officers available on shift and paperwork required for each incident.

Domestic Violence Program

Terrorism Training - This is a product of modern times. Park Ridge lies along one of the larger reservoirs within the State and said reservoir was described as a target. The Officers also work with New Jersey Transit Police in covering the Rail Station.

Child Safety Seat Program - This is another new program aimed at providing and securing properly child safety seats which work is all done through the Police Department.

Gang Activity - This subject matter was described by the witness and its need to be addressed at this time.

File for Life" Protective service oriented effort where key facts are kept on file for citizens in potential need. These readily available medical records may be an asset in a time of crisis. This was described as a unique service not found in very many towns.

Home Security Checks - This is another form of outreach which has resulted in updating home security for various citizens and certainly adding to their peace of mind.

These above listed programs were described as just some of the programs provided by the Department and were focusing principally on those programs added in recent years.

The Department has utilized much new equipment in recent years and with this new equipment have been able to better serve the public. Examples of new facilities and equipment include the following:

New Headquarters opened in 2005. The previous Headquarters had been destroyed in a major flood a few years earlier and has now been replaced with a state-of-the-art facility. During the interim years, the Officers had to work out of a service trailer and a great deal of effort was utilized in attempting to recoup and maintain records damaged in the flood.

New Equipment/Communications - Part of the reason for all of this new material is the damaged and destroyed communication center from the flood. Part of it also is updating and improving communications and computers generally.

Four Wheel Drive Jeep

Numerous New Equipment Purchases - Many of these equipment needs were the result of the changing and

Numerous programs with respect to Elementary and High School Safety and Security - These were described in detail by the witness at hearing.

evolving mission of the Police Department. An example is the Heckler-Koch MP-5 automatic weapons, a sad commentary on Departmental required equipment these days. The list also includes many other such categorized items such as helmets, shields, *etc.*

Fingerprint Scanner This is state-of-the-art investigative equipment which aids the Officers in investigative areas.

MDT - Mobile Data Terminals in the patrol cars have increased the ability of Police Officers to perform and further increased their safety by the Officer a greater amount of knowledge prior to even exiting his patrol car on a stop.

Defibrillators and Defibrillator Training - Lives have been saved as a result of this technology only recently available.

With this new equipment and the above noted new challenges to law enforcement within the region there has also been a requirement for a great deal of training.

Officer Kirk described increased training in recent years and its training by

interaction with other law enforcement agencies at various academies around the state, the Bergen County Police Academy, the State Police Academy in Sea Girt, the FBI National Academy in Virginia and the HIDTA Academy referenced computer crimes. The increase in training within the Park Ridge Police Department has also required Officer Certification. There are MOI (Method of Instruction) Certified Officers within the Department who train in CPR/Defibrillator Certification, diversity programs and ongoing standardized training. This is a busy, cutting-edge Police Department, which makes the most of all grants and opportunities to equip and train Officers to meet the evolving needs of the community.

The PBA further argued that the work of the Park Ridge Police Department is not limited to just work within the Borough. The record demonstrates that for example the members of the Department participate in a Rapid Deployment Force (RDF) at the County and State level and numerous interdepartmental committees such as traffic, juvenile issues, narcotics etc. Clearly, Park Ridge Police Department works with other agencies at the County and State levels.

Additionally, the PBA presented a graphic power-point presentation depicting numerous detailed examples of increased land use in the Borough such as a major new hotel, several corporate centers and new town houses complementing large existing homes. Former president Richard Nixon lived in the Borough after leaving office. Also the Borough maintains its own electric and water utilities and participates in a "Tri Borough Dispatch" system with Montvale and Woodcliff Lake. They are actually dispatched by the same person. Finally, the PBA pointed out that the citizens of Park Ridge and the traveling public receives an extremely high level of professional service from the Officers of the

Park Ridge police Department and the interest and welfare of the public are certainly well served in this community.

COMPARISON OF COMPENSATION AND TERMS AND CONDITIONS OF EMPLOYMENT

Here the PBA stressed the exceptional productivity and professionalism of the Park Ridge Police Department when it compared compensation with other departments in the County. Although it acknowledged that the base pay, when taken alone, falls in the mid range of comparable salaries, there are no offsetting fringe benefits to justify the total compensation shortfall particularly in the area of the longevity program.

The PBA insisted that with respect to base wage its Last Offer proposal of 4.25% is consistent with the average of the wage increases in the comparable municipalities in the area as depicted in Chart No. 1 below in evidence.

CHART NO 1

ANNUAL BASE RATE CHANGES BASED ON PBA EXHIBITS

	2005	2006	2007	2008
Rutherford	4.25 (2/2.25)	4.25 (2/2.25)	4.25 (2/2.25)	
Haworth	4.4	4.4	4.4	
Demarest	4	4.25	4.25	4.25
Alpine	4	4	4	4
Bergenfield	4.75 (2.75/2)	4.75 (2.75/2)	4.75 (2.75/2)	4.75(2.75/2)
Closter	4	4	4	
East Rutherford	4	4	5 (2/3)	5 (2/3)
Edgewater	5	5		
Elmwood Park	4	4	4.2	
Englewood	4.1	4.1		

Englewood SOA	4.1	4.1		
Garfield	4.2	4.5	4.2	
Glen Rock	4	4		
Hackensack	4	4	4	4
Harrington Park	4	4	4	4
Hasbrouck Heights	4	4	4	4
Hawthorne	4	4		
Paramus	4	4	4	
Prospect Park	4	4	4	
Ridgewood	4.4 (2/2.4)	4.4 (2/2.4)	4.4 (2/2.4)	4.4 (2/2.4)
Saddle Brook	4.5	4.5	4.5	
South Hackensack	4	4	4	4
Wood Ridge	4	4	4	
Wyckoff	4	4	4	
Lodi	4			
Northvale	4	4	4	
Oakland	4.25	4.5		
AVERAGE	4.141%	4.178%	4.37%	4.24%

The PBA argued that its last offer of 4.25% annual base wage is almost exactly in line with the Chart No. 1 above. In fact if one adds the average numbers across the bottom of the Chart No 1., the result is 4.232% clearly supporting the PBA Last Offer economic position.

The PBA further argued that its base wage proposal must be linked to the longevity issue in this case. In this regard it pointed out that most communities have a percentage longevity arrangement whereas Park Ridge has flat dollar amount substantially less in value than the comparable communities as depicted in Chart No. 3. herein bellow.

CHART NO. 3

MAXIMUM LONGEVITY VALUE AT 25 YEARS BASED ON PBA
EXHIBITS

Allendale	8,466	10%
Alpine	8,923	10%
Bergenfield	7,044	8%
Closter	7,434	No Max 1% Every 3 Years
Demarest	9,689	10%
East Rutherford	10,625	12%
Edgewater	10,314	12%
Elmwood Park	7,155	8%
	7,289	9%
Englewood	8,363	9.5%
Garfield	7,435	9%
Harrington Park	5,961	7%
Hasbrouck Heights	9,197	10%
Haworth	5,986	8%
Paramus	9,779	10%
Prospect Park	7,803	10%
Ridgewood	8,460	10%
Rutherford	8,782	10%
Saddle Brook	9,043	10%
South Hackensack	9,225	10%
Wayne	9,123	12%
Wood Ridge	10,442	12.25%
Wyckoff	7,105	8%
Hawthorne	7,907	10%
Lodi	10,354	12%
Northvale	8,430	10%
Oakland	10,440	12%
AVERAGE	\$8,547	
PARK RIDGE	\$4,000	SEE ARTICLE VI

PBA SHORTFALL	(\$4,547)	LONGEVITY
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The PBA pointed out that the above chart represents the amount of the shortfall in the 25th year only. In fact there is a shortfall for the Park Ridge Police Officers in thousands of dollars in every year of the longevity benefit.

The PBA further argued that in addition to the dollar value shortfall as compared to the above percentage plans, the value of the percentage longevity plan increases as the base wage is increased. This is not the case in Park Ridge. Therefore, this is justification not only for a favorable consideration of the longevity benefit but a justification and support for base wage increase and the economic package of the PBA.

The PBA also pointed out that there no exceptional benefits enjoyed by the Park Ridge Police Officers. The Holiday benefit at thirteen (13) days as depicted in PBA Chart NO. 4 is essentially the same as the other comparable municipalities. Another commonly used comparison is the vacation benefit as provided in Chart NO. 5 which, in Park Ridge with its 25 days, is slightly below the average.

The PBA disagreed with the contention of Park Ridge when it attempted to compare its police force to private sector employment. The PBA argued that such comparisons are not entitled to great weight. The PBA insisted that the best comparisons are made with other comparable police departments. It pointed out that police work is significantly different than other public employment or the private sector occupations. In its post hearing brief the PBA presented the following statutory and precedential laws that distinguish Police Officers from private sector employees:

The Federal Fair Labor Standards Act, **29 U.S.C.A. §201, et seq.** applies different standards to private sector employees and Police Officers. Whereas private sector employees have the protection of the forty (40) hour work week and the seven (7) day work cycle, Police Officers are treated to much less protection. Police Officers have only relatively recently been covered by the Act by virtue of the 7k amendment.

The New Jersey State Wage and Hour Law, **N.J.S.A. 34:11-56a, et seq.** does not apply to the employment relationship between a Police Officer and the Officer' s Public Employer. Private sector employees are covered under New Jersey Wage and Hour Laws. Such protections as are therein available are not available to the **Police, Perry v. Borough of Swedesboro , 214 N.J. Super. 488 (1986).**

The very creation of a Police Department and its regulation is controlled by specific statutory provisions allowing for a strict chain of command and control. Included are statutory provisions for rules and regulations, specifying of powers and duties, specifics for assignments of subordinate personnel, and delegation of authority. **N.J.S.A. 40A:14-118.** There is no such statute covering private employment in New Jersey.

N.J.S.A. 40A:14-122 provides for specific qualifications which are statutorily mandated for Police Officer employment. Such requirements as U.S. Citizenship, physical health, moral character, a record free of conviction and numerous other requirements are set forth therein. No such requirement exists by statute for private employment in this State.

If an Employee in a Police Department is absent from duty without just cause or leave of absence for a continuous period of five (5) days said person, by statute, may be deemed to cease to be a member of such Police Department or force, **N.J.S.A. 40A:14-122.** No such provision exists as to private employment.

Statutorily controlled promotional examinations exist for certain classes of Police Officers in New Jersey under Title 11 and other specific statutory provisions exist under N.J.S.A. 40A:14-122.2. There are not such private sector limitations on promotion.

A Police Officer in New Jersey must be a resident of the State of New Jersey, N.J.S.A. 40A:14-122.8. No such restriction exists for private sector employees.

Hiring criteria and order of preference is set by statute N.J.S.A. 40A:14-123.1a. No such provision exists for private employees in New Jersey.

There are age minimums and age maximums for initial hire as a Police Officer in New Jersey. No such maximum age requirements exist for private employment in this State. Even if an Employee in a Police Department who has left service seeks to be re-hired there are statutory restrictions on such re-hire with respect to age, N.J.S.A. 40A:14-127.1. No such provision exists for private employees in this State.

As a condition for employment in a Police Department in the State of New Jersey there must be acceptance into the applicable Police Retirement System, N.J.S.A. 40A:14-127.3. No such requirement exists in private sector. The actual statutorily created minimum salary for Policemen in New Jersey is set at below minimum wage N.J.S.A. 40A:14-131. Private employees are protected under the Fair Labor Standards Act. Days of employment and days off, with particular reference to emergency requirements are unique to Police work. A Police Officer's work shall not exceed six (6) days in any one week, "except in cases of emergency." N.J.S.A. 40A:14-133. The Fair Labor Standards Act gives superior protection to private sector employees.

N.J.S.A. 40A:14-134 permits extra duty work to be paid not in excess of time and one-half. This prohibits the higher pyramided wage rates which may be negotiated in private sector. There is no such prohibition in the law applying to private sector employees.

The maximum age of employment of a Police Officer is sixty-five (65) years. No such sixty-five (65) year maximum applies to private sector employees.

Police Officer pensions are not covered by the federal ERISA Pension Protection Act. Private sector employees' pensions are covered under ERISA.

Police Officers are subject to unique statutorily created hearing procedures and complaint procedures regarding Departmental charges. Appeals are only available to the Court after exhaustion of these unique internal proceedings, N.J.S.A. 40A:14-147 to 40A:14-151. No such restrictions to due process protections for private employees exist. Private employees, through collective bargaining agreements, may also negotiate and enforce broad disciplinary review procedures. The scope is much different with Police personnel.

Also, in its post-hearing brief The PBA stressed that “perhaps the greatest differentiation between Police Officers and private employees generally is the obligation to act as a law enforcement Officer at all times of the day, without regard to whether one is on duty status within the State or not. Police Officers are statutorily conferred with specific authority and “...have full power of arrest for any crime committed in said Officer's presence and committed anywhere within the territorial limits of the State of New Jersey.” N.J.S.A. 40A:14-152.1. A Police Officer is specially exempted from the firearms law of the State of New Jersey and may carry a weapon off duty. Such carrying of deadly force and around the clock obligation at all times within the State is not found in the private sector.”

STIPULATION OF THE PARTIES

The PBA pointed out that, at the hearing in this case, the Borough stipulated that the statutory criteria g5 and g6, the “Ability to Pay Criteria” and the impact on the residents and taxpayers were not issues for consideration in this case. The stipulations, made at the interest arbitration

hearing, established that there are no financial issues in this case and such considerations are therefore, by stipulation, not relevant in making a decision in this case.

COST OF LIVING

Under this statutory criteria the PBA argued that the cost of living essentially impacts all the communities in the same way. It is difficult to differentiate one municipal experience from another. As a result, the PBA concluded that there is nothing unique about the Borough of Par Ridge under this factor.

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

Here the PBA argued that this criterion strongly supports the PBA position herein. The private sector concept “area standards” and “prevailing rate” common in private sector labor relations supports the PBA position. In this regard the PBA pointed to the existence of the worst longevity program among all the communities in evidence and to the modest base wage proposal along with the holiday fold-in proposal clearly makes the Last Offer economic package of the PBA more acceptable and should be awarded by the Arbitrator.

Additionally the PBA asked that the two (2) non-economic proposals of Bereavement Leave and Jury Duty modification should be granted. It pointed out that the Jury Duty modification is merely a codification of current practice

within the Park Ridge Police Department. The Bereavement Leave modification is merely intended to match the other Park Ridge Employee Bereavement Programs in existence and should not have a significant impact on the parties. The PBA argued that the two non-economic proposals were actually agreed to by the Borough at the arbitration hearing.

The PBA concluded that it has fully and completely supported its case and last offer position by empirical data in the record, specifically by evidence introduced through labor agreements, power-point presentation and testimony at the hearing and therefore, it should be awarded by the Arbitrator.

POSITION OF THE BOROUGH

The Borough argued in relevant part that there are three components to the Borough economic package that require special attention they are: The wage improvement proposals, the longevity improvement proposals, and the proposal by the Borough to add steps to the salary guide. The PBA also proposes changes to the base wage and longevity but is silent about the additions of steps on the guide. Instead it proposes folding the holiday benefit into the base rate as well as improvements in the existing longevity program. Additionally, the PBA proposes two "non-economic" issues, Jury Duty and Bereavement leave. However the Borough insisted that the expansion of the Jury Duty benefit is actually an economic benefit.

The Borough further argued that a major factor to consider is the overall compensation of the Park Ridge Police Officers as compared to the other municipalities of Bergen County which are highest paid in the State of New Jersey. Whether the comparisons are made to all the County municipalities as the PBA would have it or merely to the Pascack Valley communities as urged by the

Borough is of no great significance given the acceptance of paying the “going rate” in Bergen County. In this regard the Borough stressed that to level Police in the Bergen County municipalities, at the end of the contract term proposed herein (2004-2008), will average a base wage in the mid-ninety (\$90,000.00) and Sergeants will reach triple figure compensation.

The borough stressed that its economic proposal best maintains the Borough’s placement in the mid-range level of overall compensation as compared the other Pascack Valley communities as depicted in its Exhibit “A” in its post-hearing brief. Such a placement of compensation is not easy to maintain in a community such as Park Ridge whose tax base is largely residential and where salary increases have historically granted in amounts that exceed the average increase in the cost of living.

The Borough further argued that it has wisely maintained fixed dollar amounts of longevity compensation without triggering excessive amounts of increases, as is the case in municipalities where longevity is a percentage amount of the base wage. It has also resisted base wage escalators through add-ons. In this regard it argued that the “fold-in” of holiday pay as proposed By the PBA would unreasonable boost the hourly base rate for cost of living adjustments and for overtime pay. Additionally, the Borough pointed out that the existing method of payment are already included for purposes of calculating pensions and the present overtime rate.

The Borough also pointed out that its base wage proposal for 2004 through 2008 when the compounding effect is considered is actually 21.19% which is an annual average of 4.25% per year over the five year period of the contract.

However, the five-step salary guide increases the cost in the base rate with the burden of funding the large step movements on the guide. Therefore, the Borough argued that the only sound program to maintain the existing staffing

levels and to fund the increases herein is to increase two additional steps on the existing salary guide. Under the existing contract officers who are enrolled in the Police Academy at step one advance to step two in six months. After that the new Officer is granted movement to step three. As a result a new officer will receive \$20,000.00 increase in one one-half years after he is hired. The Borough argued that most Bergen County Police Departments recognized that a five-step salary guide is unsustainable at the current wage rates. Also, the Borough pointed out that its proposal to add two steps on the existing guide would actually affect only future employees.

Finally, the Borough concluded that its economic package is in line with raises presently provided to Officers in Bergen County and should be awarded by the arbitrator.

The Borough also urged that the two non-economic issues proposed by the PBA, should be rejected.

With respect to the Bereavement leave the PBA merely seeks to increase the relationships for whom Officers may take such leave. In this regard the Borough argued that Article XII of the Collective Bargaining Agreement permits the Police Chief to use his discretion to authorize such expanded leave coverage based on individual considerations. Also there is no record that the Chief has not exercised his authority properly when requested to extend such leave.

With respect to the Jury Duty proposal the Borough considers the proposal to be economic and has so represented to the Public Employment Relations Commission in its May 23, 2005 letter.

Therefore, for the above stated reasons the Borough asked that PBA's "economic issues " should be rejected herein.

DISCUSSION

I agree with the general sentiment of both parties that the interest and welfare of the public is best served by providing fair wages and conditions of employment to the officers who serve and protect the citizens of the community. Both parties expressed a sincere desire in this regard. However, differences exist in the definition of what and how much is fair. Obviously, it is the difference in this perception that is the essence of this Interest Arbitration.

As above stated, the parties agreed to submit their final offers on the bases of their mutual Last Offer Economic Package as a single issue and the two non-economic issues of the PBA were submitted on an issue by issue basis. The Borough presented only an economic package as a single issue and it did not present a non-economic proposal. Therefore, in accordance with N.J.S.A 34:13A-16(c)(6), I am mandated by statute to decide the outstanding economic issues of each party as a single package and issue by issue for the non-economic proposals in accordance with the revised statutory criteria.

The revised statute requires that I issue an award by selecting one of the two economic packages based on a reasonable determination of the issues in accordance with the statutory criteria which I find to be relevant and which have been fully articulated by the parties at the hearing before me and in their extensive post-hearing briefs.

After a thorough review of the evidence and the positions of both parties I have awarded the final economic package of the Borough for the reasons discussed below.

The parties agreed and I so award that the duration of the successor agreement shall be for a five (5) year period effective January 1, 2004 through December 31, 2008. I note that the parties have historically as well as most

recently agreed to durations of even greater lengths. In this instance the five-year duration is certainly appropriate since the existing agreement had expired December 31, 2003.

Also, after a through review of the economic package of both parties I found the Boroughs last economic offer to be more reasonable in accordance with the statutory requirements and for additional reasons stated below.

As outlined in the Borough's final economic offer the base wages shall be increased by 3.75% effective January 1, 2004 and another 3.75% effective January 1, 2005. Effective January 1, 2006 base wage shall increase by 3.90%. Effective January 1, 2007 4.00% and effective January 1, 2008 4.20%. All the increases are to be across the board.

After compounding the five base wage increases during the five-year duration of the agreement the wage portion of the economic package is worth 21.19%. As an example put forth by the Borough, the top PO salary step in 2003 of \$76,359 becomes \$92,545 in 2008. In comparing the wage increase proposals of both parties I found the Borough's position to be more in line with the interest and welfare of the public and comparable to the increases in other such communities in Bergen County and in both public and private sectors.

Additionally, Effective January 1, 2006 the base wage of the new step PO-6 shall be \$43,714.00 and also effective January 1, 2006 the base wage of the new step PO-7 shall be added to the guide at the base rate of \$36,875.00.

Effective January 1, 2006, the Base Wage for Probationary employees shall be \$30,000.00. The Probationary Step will apply to the Officer for twelve (12) months from the date of appointment, or until the date of his/her permanent appointment, whichever is later, whereupon step movement shall be to PO-7 and move appropriately on the guide after that.

I note that the addition of the two steps on the salary guide affects future employees. An increase from the existing five steps to seven on the salary guide is in line with other comparable communities in Bergen County and I found it not to be objectionable within the economic package of the Borough.

Effective January 1, 2008 the present longevity schedule shall be increased \$100.00 for each of years 11 through 16, \$200.00 for each of the years 16 through 20, \$300.00 for each of the years 21 through 25 and \$400.00 for each of the years 26 through 30.

In this regard, I considered the PBA argument that most communities in Bergen County enjoy a longevity expressed in percentages. I also considered the shortfall in longevity as described by the PBA. However, when I considered the total compensation resulting from the two final economic packages, I found the Borough's last offer economic package which includes substantial longevity improvements, to be more acceptable with respect to the Revised Statutory Criteria.

I recognize that increased productivity in a police department is not necessarily a reason, by itself, to increase wages. However, an increase in pay for increased effort as argued by the PBA coupled with additional responsibility, is generally a persuasive argument. In this instance, the additional productivity combined with the addition of specialty units, as listed above, was impressive but not completely persuasive when I balanced the total economic package of both parties. On balance I found the Borough's economic package to be more acceptable.

In reaching this conclusion, I also thoroughly considered the other statutory factors including the **Comparison of Wages and Terms and Conditions of Employment**. In this regard, both parties were able to put forth statistics favoring

their respective positions. The PBA produced Charts showing that base-wage in Park Ridge is substantially below average of the contracts in evidence. Due to several unusually high settlements the average settlement appears significantly above 4% in 2007 and 2008. However, the Chart actually reveals the majority of the settlements to be closer to 4% than the 4.25% in each year proposed by the PBA. Therefore, in this regard I found the Borough's package to be more favorable.

The PBA relies more on computation of averages. There are many occasions where such computations can be very persuasive. However, averages can also be deceiving. I am reminded of a recent remark by former Secretary of Labor Robert Reich who is about 5 feet tall. He remarked, that on average he and Kareem Abdul Jabbar are about 6 foot tall. Averages are of course useful but they can be deceiving.

I also note that a comparison of wage increases in the private sector favors the Borough's economic package. While the comparison with the private sector is always difficult for many of the obvious reasons, I must consider that the taxpayers of this community are predominantly in the private sector and therefore the average wage increases in that sector necessarily effect the community's economic ability to shoulder the increases herein.

I am of course aware of the significant differences and statutory requirements of Police Officers, which do not exist in the private sector or in other Public Employment.

As statutorily required I also considered the **overall compensation presently received by the other employees of Park Ridge**. I found that this sub-criterion also supports the Borough's economic package position. However, the other Units were not shown to have had a dramatic increase in productivity and responsibilities, as did the PBA. Nevertheless, for the above stated reasons I found

the Borough's economic package to be more reasonable and therefore awarded herein.

As previously stated, the parties agreed to a five-year duration of the agreement. However, the PBA stressed that under the **Stipulations of the Parties** criterion the Borough clearly stipulated that the CAP law, under the **Lawful Authority of the Employer** the "Ability to Pay" criteria as well as the **Impact on the Residence and Taxpayers** statutory factors are not an issue in this case. However, this does not foreclose any other agreements of the parties, that may have been reached prior to my arrival as Interest Arbitrator and the procedural changes, which may be necessary to conclude the instant contract.

Additionally, I must also note in this regard, that although the "ability to pay" was not a central issue herein, I considered the existing inevitable rising costs for the Borough. Nevertheless, even if there was a comfortable and substantial ability to fund the entire PBA proposal, it would not necessarily mean that the entire proposal is reasonable when other statutory factors are given proper consideration herein. Being able to afford the increases is not necessarily the controlling factor in determining its reasonableness.

The Cost of Living criteria also favors the Borough's economic offer, since the CPI increases have not been significant in recent years and inflation has been mostly under control.

In the **Continuity and Stability of Employment** factor, the PBA again emphasized the significant productivity increases of the PBA and insisted that on average the members of this bargaining unit are compensated substantially below their peers. Although I agree that such substantial increases in productivity should be rewarded, I continue to believe that the rewards in the economic package of the Borough are the

more appropriate choice in light of all the statutory factors considered herein.

The Borough correctly pointed out that there was no hard evidence that the **Continuity and Stability of Employment** would be negatively affected by the Borough's proposal or enhanced by the PBA proposal. However, such evidence is difficult to gather and most often it is speculative. The best evidence of course in this regard is the turnover of employees, when officers give up their seniority in order to seek a position elsewhere for greater compensation. I have nothing in the record to indicate that such a condition exists in Park Ridge.

I must now consider the non-economic proposals of the PBA. As noted above under the Revised Statutory Criteria I may choose separately issue by issue from the non-economic proposals of the parties. In this instance only the PBA proposed two non-economic issues. The Borough had no non-economic such proposals and it opposed both proposals of the PBA.

After a thorough review of the Bereavement leave issue proposed by the PBA I found the arguments of the PBA not persuasive for primarily the following reasons. Under the existing Collective Bargaining Agreement Article XII the Police Chief has the discretion to authorize such expanded leave coverage based on the special considerations of the individual employee. Also, I have nothing in the record to indicate that the Chief has not exercised his authority properly in this regard. Therefore, the request to enlarge the existing bereavement leave benefit is not granted.

The second "non-economic" issue is a request by the PBA to fold in the existing holiday benefit into the base wage. Although such proposals do materialize periodically through out New Jersey, I have nothing in the

record to indicate that such is the case in Bergen County communities or that it has been received favorably by Interest Arbitrators in the state.

It turns out that the members of the Park Ridge Police are already enjoying the benefits of a "fold in". The Borough's payroll department already distributes holiday pay regularly in the ordinary pay of the Officers and it is considered in the calculation of overtime and for pension purposes. Consequently, since the major reasons for a "fold in" are already present, the proposal is hereby denied.

As stated above, both sides agreed that maintaining a competitive and fair compensation program in the police department is desirable and is in the best interest of the citizens and taxpayers. Therefore, after thoroughly considering all the evidence in the record made before me, in light of all the factors of the revised statutory criteria as required, and after reviewing the respective positions and the post hearing arguments of the parties, I make the following:

AWARD

The economic package of the Borough is hereby awarded.

1. Effective January 1, 2004, base wages on the salary guide shall be increased 3.75% across the board.
2. Effective January 1, 2005, the 2004 salary guide shall be increased an additional 3.75% across the board.
3. Effective January 1, 2006, the base wages of all superior officers and patrolmen at Step PO-1, PO-2, PO-3, PO-4 and PO-5 shall increase by 3.90%.
4. Effective January 1, 2006, the Base Wage of Step PO-6 shall be \$43,714.00.
5. Effective January 1, 2006, a new Step PO-7 shall be added to the guide. The Base Wage of PO-7 shall be \$36,857.00.

6. Effective January 1, 2006, the Base Wage for Probationary employees shall be \$30,000.00. The Probationary Step will apply to the Officer for twelve (12) months from the date of appointment, or until the date of his/her permanent appointment, whichever is later, whereupon step movement shall be to PO-7.
7. Effective 2007, the 2006 the Base Wages shall be increased by 4.00% across the board.
8. Effective January 1, 2008, the 2007 Base Wages shall be increased by 4.20% across the board.
9. Longevity: Effective 2008, the present longevity schedule shall be increased \$100.00 for each of years 11 through 16, \$200.00 for each of the years 16 through 20, \$300.00 for each of the years 21 through 25 and \$400.00 for each of the years 26 through 30

In accordance with the above a new Salary Guide is submitted:

BOROUGH OF PARK RIDGE

Salary Guide Increases Through 2008

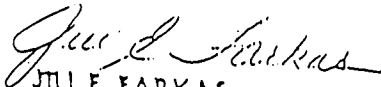
POSITION	2004	2005	2006	2007	2008
LIEUTENAN	93,786.89	97,303.90	101,098.75	105,142.70	109,558.69
SERGEANT	86,504.68	89,748.60	93,248.80	96,978.75	101,051.85
Officer 1	79,222.46	82,193.30	85,398.84	88,814.80	92,545.02
Officer 2	70,694.21	73,345.25	76,205.71	79,253.94	82,582.60
Officer 3	62,165.96	64,497.19	67,012.58	69,693.08	72,620.19
Officer 4	53,638.75	55,650.20	57,820.56	60,133.38	62,658.99
Officer 5	45,110.50	46,802.14	48,627.43	50,572.52	52,696.57
Officer 6	36,582.25	37,954.08	43,714.00	45,462.56	47,371.99
Officer 7			36,857.00	38,331.28	39,941.19



ERNEST WEISS, ARBITRATOR

STATE OF: NEW JERSEY
COUNTY OF: SOMERSET

On this 7th day of March, 2006, before me personally came and appeared Ernest Weiss, to me known and known to me to be the individual described in and who executed the foregoing instrument and he acknowledged that he executed same.



JULIE E. FARKAS
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires May 5, 2008