

I.R. NO. 2012-018

STATE OF NEW JERSEY
PUBLIC EMPLOYMENT RELATIONS COMMISSION

In the Matter of

COUNTY OF CAMDEN &
COUNTY OF CAMDEN SHERIFF'S OFFICE,

Respondent,

-and-

Docket No. CO-2012-296

CAMDEN COUNTY SHERIFF'S
OFFICERS PBA LOCAL 277 &
SUPERIOR OFFICERS ASSOCIATION,

Charging Party.

SYNOPSIS

A Commission Designee denies an application for interim relief filed by the Charging Party alleging that, after a consolidated interest arbitration award was issued (that required the replacement of an existing insurance article with a new one proposed by the Respondent), the Respondent failed to sign a CNA prepared by the Charging Party to memorialize the award.

The Charging Party argued that the new insurance article awarded by the interest arbitrator would not take effect until the new CNA is signed by the parties, and as a result, the original insurance language should be contained in the new CNA to cover the "temporal gap," especially for the benefit of retirees.

The Designee found that based upon Commission precedent, since the award was not vacated or modified on appeal, it should have been implemented immediately and the parties had an obligation to reduce the award to writing and sign it.

The Designee found that the Charging Party had not established a substantial likelihood of prevailing in a final Commission decision on its legal and factual allegations, a requisite element to obtain interim relief.

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CAMDEN COUNTY SHERIFF'S
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Charging Party.

Appearances:

For the Respondent, Mark S. Tabenkin, Assistant County
Council

For the Charging Party, Loccke, Correia, Limsky &
Bukosky, attorneys, (Marcia J. Tapia, of counsel;
Michael A. Bukosky, of counsel and on the brief)

INTERLOCUTORY DECISION

On April 25, 2012, the Camden County Sheriff's Officers PBA Local 277 ("PBA") & Superior Officers Association ("SOA") (both units collectively referred to as "PBA") filed an unfair practice charge against the County of Camden and the Camden County Sheriff's Office (both collectively referred to as "County"), which was accompanied by an application for interim relief, a certification, and a brief. The charge alleges that, after a consolidated interest arbitration award was issued on June 10, 2011, the County failed to sign a contract prepared by the PBA to memorialize the award. The award set the term of the collective

negotiations agreement ("CNA") from January 1, 2008 through December 31, 2012. As set forth in the Charge, the County's conduct allegedly violates 5.4a(1), (2), (3), (4), (5), (6) and (7)^{1/} of the New Jersey Employer-Employee Relations Act, N.J.S.A. 34:13A-1 et seq.

The application seeks an Order requiring the County to sign the CNA as presented by the PBA.

On May 7, 2012, an Order to Show Cause was issued specifying May 11 as the return date for oral argument via telephone conference call. At the mutual request of the parties, the return date was rescheduled for May 15 and held on that date.

The following pertinent facts appear:

On December 22, 2010, the County submitted its final

^{1/} These provisions prohibit public employers, their representatives or agents from: "(1) Interfering with, restraining or coercing employees in the exercise of the rights guaranteed to them by this act. (2) Dominating or interfering with the formation, existence or administration of any employee organization. (3) Discriminating in regard to hire or tenure of employment or any term or condition of employment to encourage or discourage employees in the exercise of the rights guaranteed to them by this act. (4) Discharging or otherwise discriminating against any employee because he has signed or filed an affidavit, petition or complaint or given any information or testimony under this act. (5) Refusing to negotiate in good faith with a majority representative of employees in an appropriate unit concerning terms and conditions of employment of employees in that unit, or refusing to process grievances presented by the majority representative. (6) Refusing to reduce a negotiated agreement to writing and to sign such agreement. (7) Violating any of the rules and regulations established by the commission."

proposal to the interest arbitrator. The County's proposal included a new insurance article seeking to replace the former Article XII (in the PBA CNA) and the former Article XXV (in the SOA CNA) in their entirety. The County's proposal to the interest arbitrator specifically stated, "The attached proposal is meant to replace these existing articles in their entirety."

On June 10, 2011, the interest arbitrator issued her opinion and award in the two consolidated cases. The interest arbitrator awarded, in pertinent part, that, "The County's proposed insurance article shall replace Articles XII and XXV in the 2003-2007 contracts." Award at p. 38.^{2/}

The award was not appealed by the parties and no stay of implementation for the award was sought. On July 5, the PBA forwarded to the County proposed CNA insurance language that included the previous language as well as the new language awarded by the arbitrator. On August 16, the County forwarded a "marked-up" CNA to the PBA with insertions and deletions. In the cover letter, the County stated in pertinent part:

The agreement prepared by your office retains all of the old insurance provisions of the agreement, which is quite confusing to the reader. It is the County's position that the direction to "replace" the old insurance provisions with the County's proposal

^{2/} The consolidated opinion and award can be viewed at:

[http://www.perc.state.nj.us/IAAwards.nsf/IAUpdates/25F4087F646FF1E2852578B700491DE0/\\$File/IA-2010-3.pdf?OpenElement](http://www.perc.state.nj.us/IAAwards.nsf/IAUpdates/25F4087F646FF1E2852578B700491DE0/$File/IA-2010-3.pdf?OpenElement)

requires substitution of the new language for the old, without retention of the old.

On August 22, 2011, the PBA issued the following correspondence to the County, in pertinent part:

We have had an opportunity to review your letter of August 16, 2011, most specifically the second paragraph regarding drafting of the insurance clause. While we agree that the Arbitrator's Award provided for a replacement of insurance language, the reason that the old language was included with a change date for the effective point of replacement was included [sic] was for clarity. There are circumstances of ongoing medical treatment and changes which may affect co-payment in various areas. We believe that a change date being included will provide clarity and avoid grievances in the future. Please consider this language for its clarity.

On February 23, 2012, the County filed an unfair practice charge alleging that the PBA violated the Act when it repeatedly prepared a CNA that omitted the insurance proposal awarded by the interest arbitrator and when it failed to sign the CNA presented by the County. The matter is currently pending before the Director of Unfair Practices.

On March 29, the County advised the PBA that it was going to implement the insurance provisions from the interest arbitration award effective with the first pay period of May 2012.

On April 13, the PBA responded to the County, in pertinent part:

[T]he language of Article XII, which the Camden [sic] proposed, clearly states that

"effective upon the signing of the agreement,^{3/} the Traditional/Indemnity plan will not be an option." As of this date, the collective bargaining agreement has not been signed due to the parties' disagreement as to the language of this very Article. Accordingly, we object to the implementation of the insurance provisions of the agreement, and/or, the removal of the Traditional/Indemnity Plan. The PBA demands negotiations in regards to this unilateral change by the employer.

On April 24, the PBA sent a final letter to the County before filing the instant unfair practice charge. In pertinent part the letter stated:

The county [sic] has taken the position that the new contract language must supplant the old contract language in its entirety.

This creates a temporal gap in the contract between the initial effective date of the contract (January 1, 2008) and the present time, where the contractual level of health benefits will not be referenced in the contract.

This gap in time, and gap in a referenced level of benefits, matters - especially to retirees. Any person who retired between January 1, 2008 and before the contract is finally executed, would be entitled to the level of benefits which they retired under. If the contract is silent as to exactly what level of benefits they are entitled to, this creates a situation where the level of benefits is "lost" and remains un-memorialized. A retiree would be in the unfortunate position of claiming an entitled level of benefits which is not cited to

3/ The County's proposed insurance article awarded by the interest arbitrator contains the phrase "Effective upon the signing of this agreement" in three different paragraphs.

within the contract. This would be irresponsible and improper.

Thus the County's proposal to word the contract so as to leave a time gap where the level of benefits remains intentionally unknown, is unreasonable and runs counter to what the contract between the parties, in conjunction with the arbitration award, exactly intends. The intent is to memorialize and provide a certain level of benefits up until the contract is "signed", whereupon a new level of benefits will be established.

ANALYSIS

To obtain interim relief, the moving party must demonstrate both that it has a substantial likelihood of prevailing in a final Commission decision on its legal and factual allegations and that irreparable harm will occur if the requested relief is not granted. Further, the public interest must not be injured by an interim relief order and the relative hardship to the parties in granting or denying relief must be considered. Crowe v. De Gioia, 90 N.J. 126, 132-134 (1982); Whitmyer Bros., Inc. v. Doyle, 58 N.J. 25, 35 (1971); State of New Jersey (Stockton State College), P.E.R.C. No. 76-6, 1 NJPER 41 (1975); Little Egg Harbor Tp., P.E.R.C. No. 94, 1 NJPER 37 (1975). In Little Egg Harbor Tp., the designee stated:

[T]he undersigned is most cognizant of and sensitive to the extraordinary nature of the remedy sought to be invoked and the limited circumstances under which its invocation is necessary and appropriate. The Commission's exclusive remedial powers, normally intended to be exercised subsequent to a plenary

hearing, will not be called into play for interim relief in advance of such hearing except in the most clear and compelling circumstances.

As set forth above, the PBA argues that the new insurance article awarded by the interest arbitrator will not take effect until the new CNA is signed by the parties, and as a result, the PBA believes that the original insurance language should be contained in the new CNA. However, in Borough of Leonia, P.E.R.C. No. 2008-3, 33 NJPER 204 (¶73 2007), the Commission held:

Interest arbitration is a binding procedure for settling contracts involving police officers and firefighters. N.J.S.A. 34:13A-14a. An arbitrator's award is final and binding unless vacated or modified on appeal. N.J.S.A. 34:13A-16f(5). An award that is not appealed must be implemented immediately. Consistent with the obligation to implement the award is the obligation to reduce the award to writing and sign it. There is no duty to negotiate further after an award issues.

The arbitrator's award is unambiguous and there is no evidence that his choice of words was inadvertent. The Borough could have appealed the award and raised all of its concerns, but chose not to do so.

[Id. at 205]

In the instant matter, neither party sought to have the award vacated or modified on appeal. See N.J.S.A. 2A:24-7. The interest arbitrator's language is unambiguous: "The County's proposed insurance article shall replace Articles XII and XXV in

the 2003-2007 contracts." Since the award was not vacated or modified on appeal it should have been implemented immediately in June 2011. The fact that the insurance proposal used the term "Effective upon the signing of this agreement," is without merit because if the award had been implemented immediately, reduced to writing and signed in a timely manner, then there would not have been any alleged "temporal gap" as asserted by the PBA.

Thus, I find that the PBA has not established a substantial likelihood of prevailing in a final Commission decision on its legal and factual allegations, a requisite element to obtain interim relief.^{4/} The application for interim relief must be denied. Accordingly, this case will be transferred to the Director of Unfair Practices for further processing.

ORDER

The application for interim relief is denied. The charge will be forwarded to the Director of Unfair Practices for processing in accordance with the Commission's Rules.



David N. Gambert
Commission Designee

DATED: June 19, 2012
Trenton, New Jersey

^{4/} As a result, I do not need to conduct an analysis of the other elements of the interim relief standard.

PUBLIC EMPLOYMENT RELATIONS COMMISSION

**In the Matter of the Interest Arbitration
between
CAMDEN COUNTY SHERIFF
- and -
CAMDEN COUNTY SHERIFF'S OFFICERS, PBA LOCAL NO. 277
and
CAMDEN COUNTY SUPERIOR OFFICERS ASSOCIATION, LOCAL NO. 277**

**PERC Docket No. IA-2010-2003, IA-2010-2004 consolidated
Opinion and Award**

BEFORE: Barbara Zausner, Arbitrator

AWARD DATED: June 10, 2011

APPEARANCES

For the County: Howard S. Wilson, Assistant County Counsel
For the County
Howard L. Goldberg, Acting County Counsel, on the brief

For the Union: Loccke, Correia, Limsky & Bukosky
Attorneys for the Union
By, Richard D. Loccke, Esq.

BACKGROUND

Camden County and the Camden County Sheriff's Officers PBA, Local 277, which represents the non-supervisory Sheriff's Officers, and the Sheriff's Officers Superior Officers Association, PBA Local 277, which represents all Lieutenants and Captains in the Camden County Sheriff's Department, are parties to two separate collective bargaining agreements. Both collective bargaining agreements went into effect on January 1, 2003 and expired on

December 31, 2007. Negotiations for successor agreements reached impasse and both Locals filed petitions to initiate compulsory interest arbitration. The matters were combined for hearing and decision at the parties' mutual request. Pursuant to the rules and regulations of the Public Employment Relations Commission I was appointed interest arbitrator in this matter.

I met with the parties on September 1 and November 9, 2010 to assist them in an effort to achieve a voluntary resolution to their dispute. A number of issues was resolved. The parties reached impasse on the issues listed below. I held evidentiary hearings on January 5, and January 31, 2011.

The parties presented documentary evidence, examined and cross-examined witnesses, and submitted post-hearing briefs in March 2011. They agreed to extend the due date of this award to June 15, 2011.

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

The parties did not agree to an alternate terminal procedure. Therefore, under N.J.S.A. 34:13A – (d) (2) the dispute shall be resolved by conventional arbitration. My conclusions have been reached through application of all of the relevant statutory criteria, giving due weight as appropriate to the issues presented by the unsettled elements in dispute.

Statutory Criteria

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

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

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

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

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

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

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

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

(4) Stipulations of the parties.

(5) The lawful authority of the employer. Among the items the arbitrator or panel of arbitrators shall assess when considering this factor are the limitations imposed upon the employer by P.L.1976, c.

68(C.40A:4-45.1 et seq.).

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

(7) The cost of living.

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

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

FINAL OFFERS

PBA/SOA Final Offer

The term of the new contract would be January 1, 2008 through December 31, 2013.

1. WAGE INCREASE: The Associations propose a six (6) calendar year contract to commence January 1, 2008, that would provide for a 3.5% across the board increase at each rank, step and position effective January 1 of each calendar year.
2. LONGEVITY: The PBA proposes the deletion of the grandfather provisions

of this Article. The SOA proposes an application of the revised PBA Longevity Schedule to its members and an addition to the SOA contract.

3. HOLIDAYS: The Associations propose a modification of the method of compensation for the Holiday benefit. The modification is to have the entire holiday paid in equal installments along with regular payroll and used for all calculation purposes.
4. VACATION ADJUSTMENT LANGUAGE FOR SOA ONLY: The SOA seeks to have additional two (2) vacation days added to the sequence where a new member is promoted to the rank of Lieutenant. Currently a person promoted from Sergeant to Lieutenant, by virtue of the promotion has two (2) fewer annual vacation days (this affects nine (9) people).

In addition to the four (4) economic issues above, the Associations also propose two (2) non-economic issues for my consideration which were listed as follows:

1. ARTICLE 20, GRIEVANCES (PBA Contract p. 30 / SOA Contract p. 14)
The Associations propose the deletion of any reference to Sheriff or County access to the grievance procedure at any level.
2. ARTICLE 25, FULLY BARGAINED AGREEMENT LANGUAGE (PBA Contract p. 25)
The PBA proposes the deletion of this language. Reference is made to the SOA Contract Article 25, (SOA Contract p. 21).

Camden County's Final Offer

Term of the Contract. January 1, 2008 through December 31, 2012

1. For both PBA 277 and the SOA, Management proposes the following salary increases:

2008 0%
2009 0%
2010 0%
2011 0%
2012 2.5%

2. For both PBA 277 and the SOA, Management proposes the attached

insurance article to replace Article XII and Article XXV respectively in the 2003 – 2007 contracts. The attached proposal is meant to replace these existing articles in their entirety.

3. For both the PBA 277 and the SOA, Management proposes the elimination of the provision providing bonus vacation days for not using sick time found at Article XIV, Section 5 and Article XII, Section 4 respectively.

4. For both PBA 277 and the SOA, Management proposes changing Article XIV, Section 3 and Article XII, Section 3 by replacing the present language with the following language:

Employees retiring from the County with at least twenty-five (25) years of service shall be entitled to receive payment for 50% of all earned and unused sick leave at his/her current rate of pay up to a maximum of \$15,000. Effective upon the signing of this agreement, employees will no longer be able to add days to their accumulated sick time for the purpose of sell back at retirement. All time available as of that date will be available for any employee eligible for and requesting payment of accrued sick leave at retirement. Any sick leave used after that date will initially come from sick leave provided or accrued after that date. Sick leave banked prior to December 31, 2010 will not be used until all of the sick leave accrued after that date is exhausted. Current employees who retire on or before December 1, 2015 (last day of active service) will be able to sell back days at retirement pursuant to this section, but employees retiring after that date and any employee newly hired after this Agreement is signed, will not be eligible to sell back sick leave at retirement pursuant to this section.

5. For PBA 277, Management proposes the elimination of Article XXVI (“General Provisions”), Section 6 and Article XXI (“Rights of Agent”), Section 6 in the SOA Contract.

6.

7. For PBA 277 and the SOA, Management proposes the elimination of Article III (“Seniority”) in both contracts in their entirety.

8. For PBA 277, Management proposes elimination of Article XIII (“Personnel Regulations”) in its entirety.

9. For SOA, Management proposes the elimination of Article XI (“Personnel Regulations”), Section 4.

10. For PBA 277, Management proposes that Article X (“Holidays”), Section 6 be revised to reduce the number of personal days from 6 to 4 annually and that Article IX (“Holidays”), Section 5 of the SOA contract be likewise revised to reduce the number of personal days from 6 to 4.

11. For PBA 277, Management proposes the elimination of the 22 year step for both officers and sergeants outlined in Article VII (“Rates of Pay”), Section 1 and the elimination of the 22 year step for both lieutenants and captains outlined in Article VII (“Rate of Pay”), Section 1 of the SOA contract.

12. For PBA 277, Management proposes that Article VII (“Rates of Pay”), Section 1 be revised to eliminate step increases for employees hired after the signing of this agreement.

13. For PBA 277, Management proposes that compensatory time must be used within 6 months of accrual or, if not, scheduled off by management during the next six months. Additionally, Management proposes that only one employee per shift, at each location, be allowed to take compensatory time on any given day.

POSITIONS OF THE PARTIES

Position of the PBA/SOA

The Associations point out that the County Sheriff’s Department “is the only County-wide uniformed service providing full law enforcement and public safety services to the citizens in all of the thirty-seven individual Camden County Municipalities.” The agency is headed by and staffed by law enforcement professionals, “career officers with decades of law enforcement experience.” (Brief, p. 6). The Department consists of 3 Captains, 5 lieutenants, 22 sergeants, 112 Officers and 5 investigators for a total of 147 bargaining unit members. The Associations point to the “many facets of the law enforcement mission and those special services made available through” the Camden County Sheriff’s Department. (Brief, p. 7).

There are 37 towns in the county, “hundreds of miles of roadways, interstate highways, county roads, county facilities, special services, specialized equipment, [and] uniquely trained Sheriff’s Officers.” According to the Unified Crime Report of the NJ State Police, Camden County ranks first, second or third among all the counties in criminal activity. It has the highest murder, rape, index offenses, bank robbery, drug possession, and non index offenses.” (P-4 and Brief, p. 7, Chart 1). “The same is true [for] non-criminal activity, for example motor vehicle related accidents.” (Brief, p. 8, P-5, the N.J. State Police statistics on fatal motor vehicle crashes reported to the State Police accident investigation unit.).

The Department is a full service law enforcement agency. It plays “an integral part in the delivery of law enforcement and public safety in the county.” These personnel work with all of the towns in the county in law enforcement, ranging from urban to rural. Local police departments call on the Sheriff’s Office for operational support on a daily basis. The department has the capability to mass force. It also provides services such as transportation to various towns on a daily basis. (Brief, pp. 8-9). These services are in addition to the general law enforcement duties of the department.

The department’s website details the various units in administrative, investigations, uniformed groups, specialized units and informational services. The department’s mission is to provide “a variety of law enforcement service and support using state of the art technology in a prompt efficient and courteous manner to the residents, visitors and various agencies and

departments throughout the County of Camden, the State of New Jersey and the United States.” (P-2). Its primary functions are mandated by statute and include responsibilities in both civil and criminal areas of the law.

The Court Security Bureau, including criminal and juvenile courts processed almost 36,000 people in 2010. 772,192 persons were screened at the front door. (P-11). “A high degree of vigilance and public safety must be maintained.” (Brief, p. 10). The civil service job description for sheriff’s officer details the numerous and varied duties as well as special qualifications of the position. (P-1). A partial list of specialties of the Sheriff’s Office is provided. (Brief, p. 12). In addition to 7,000 current active criminal warrants in the county and 4,000 active domestic relations warrants, “there is also a significant Homeland Security initiative.” (Brief, p. 13). The department transferred 20,574 inmates in more than 11,400 trips in calendar year 2007. (P-10). The numbers were somewhat lower in 2008 and 2009. The transportation service represents “significant savings to the municipalities.” The Officers “are on the roads and out moving among the towns assisting local agencies, making arrests and making appropriate motor vehicle stops.” (Brief, p. 13).

It is anticipated that the City of Camden will need additional assistance from the Sheriff’s Office in order to deal with anticipated layoffs in the city and a twenty percent increase in killings. Notwithstanding the anticipated expansion of duties for the department, the “Office has been permitted to shrink through attrition ... by 11.4%” since the contract expired in 2007.

(Brief, p. 16, P-13). These losses affect the remaining sworn officers.

“Opportunities for advancement have been reduced.” The Associations point to Sheriff Billingham’s testimony and his “expressed pride in the performance and acknowledged key role that the Camden County Sheriff’s Office plays in the delivery of public safety within the entire county.” (Brief, p. 17).

These data are presented to support the Associations’ position that it is in the interests and the welfare of the public to award its proposal in its entirety.

The Associations maintain that unit members “are poorly compensated in comparison to their peers in law enforcement.” (Brief, p. 20). Chart 3 compares the top step non-supervisory officer pay with the rate in other Sheriffs’ departments and Camden County municipal law enforcement agencies. Many of the law enforcement agencies in evidence have a longevity benefit while the Camden County Sheriff’s officers have none. (Brief, p. 21, Chart 4, 2008). Top base pay in other Sheriffs’ departments (Ocean, Essex, Bergen, Monmouth, and Mercer Counties) ranges from a high of \$94,304 (Bergen) to a low of \$68,324 (Camden).

The Associations’ figures show that the average base wage increase in 2008 was 4.3% among 6 County units (Park Police, Corrections SOA, County Prosecutor, County Prosecutor SOA, Corrections and FMBA) and 4.1% among 4 County units (excluding FMBA and Corrections SOA) in 2008. The Associations seek to avoid further increasing the difference between the Sheriffs’ units in Camden County and those in other counties and Camden

County municipalities. Even an award of the Associations' wage proposal would leave these units further behind their peers. The Associations also argue that "the Employer's own evidence supports an award close to the Associations' last offer." Many of the contracts offered in evidence by the Employer expired at the end of 2007 and thus "have no probative value with respect to wage increases for a term commencing January 1, 2008." (Brief, p. 24).

The Associations cite County Exhibits 25-28, 30, 32-34, 36, 38, 39, 53 and 54, contracts with other Camden County bargaining units, to show that no other bargaining unit received the 0% wage increases offered to this unit. For 2008, nine units report settlements ranging from 3.2 to 4%; average 3.83%. For 2009, seven units received increases between 2.9% and 5.4%; 4.01% average. For 2010, the seven settled contracts reflect wage increases of 2.8% (two units), 3.3%, one unit, 3.5% (three units), and 3.75% (one unit) for an average 3.31% raise; five units settled for 2.8% and one settled for 2.9%. In 2010, four units got 2.8% and one got a 2.9% increase. (Chart 6, p. 25). The Associations argue, "The Employer has established an internal average to which it must be held." (Brief, p. 26).

The proposal to fold holiday pay into base salary is, the Association contends, "a benefit to both parties. It would result in more service days" to the employer. There would be fewer employees working on the holiday at time and one half pay. The employer would have additional days to use for training and special operations. (Brief, p. 27).

The proposal to add two vacation days “is a matter of basic equity.” The Associations point out that an employee who is promoted from sergeant to lieutenant loses two vacation days. “No one should lose as a result of moving forward on [his] career path.” (Brief, p. 27).

The PBA urges that private sector comparisons should not control this decision as there are no private sector jobs comparable to that of sworn police officers. It cites an award of Arbitrator Kurtzman in IA 97-20 noting his opinion and those of other interest arbitrators on this subject. (Brief, p. 28). The differences between police personnel and private sector employees in general are detailed. (Brief, p. 28). “Statutory and other precedential laws control[] the relationship of police officers to their employers.” These include the FLSA, the NJ State Wage and Hour Law, N.J.S.A. 40A:14-118, N.J.S.A. 40A 14-122 and numerous others. (Brief, pp. 29-32). The Associations conclude that “local comparisons are more relevant...” (Brief, p. 32, citing Arbitrator Weinberg’s award in IA – 94-141).

There are no stipulations by the parties that bear on this decision.

“There is no legal prohibition of an award of the Associations’ last offer.” “Any financial impact of the Sheriff’s PBA/SOA increases are *de minimis* and almost imperceptible on the County Budget and ultimate impact on the taxpayer.” (Brief, p. 37). Chart 7 depicts the current bargaining unit base pay which totals \$10,387,981 of which 1% = \$103,879.” That is an inflated estimate because the chart assumes all are on the top pay step. A review of Exhibit P-12 “shows that at least the last thirty-seven persons are in the steps”

and not at top step.

Chart 8 shows the cost of a base wage increase of 3.5% as follows:

2008	\$363,576
2009	\$376,302
2010	\$389,472
2011	\$403,103
2012	\$417,212
2013	\$431,814

(Brief, p. 38).

Exhibit P-13 shows which ranks and how many employees separated from employment in 2008, 2009 and 2010. Chart 9 calculates the reduction in salary costs to the County. "The total savings by virtue of the reduction in base pay alone is \$837,178." (Brief, p. 39). In 2009, separations resulted in a savings of \$895,971 and in 2010, separations saved \$6730,517. (Brief, p. 40, Exhibit P-13). Chart 12 shows the impact of a 3.5% increase minus the cost savings of the separations. For '08, '09, and '10, the total difference is \$1,234,316. (Brief, p. 41).

The Associations also point to savings realized by the fact that longevity was "grandfathered out of the Agreement in 1995" and employees who are leaving after twenty-five years are the last employees who will receive longevity payments. New employees receive no longevity benefit. (Brief, p. 41). The fees generated by the Sheriff's Office provide "a very significant cost absorption of the overhead" of the office. (P-14, Brief, p. 42). The exhibit shows that revenues generated for 2009 by the Sheriff's Office for summonses, foreclosures, wage garnishments, and general writs, added up to a total of \$7,846,943.

The 1.5% statutory payroll deduction is “another significant offset to the Employer of the cost of this bargaining unit.” The money comes in as general revenue. The statute results in a pay reduction of 1.5% to employees. The money stays with the local employer.

The Associations conclude that “for the first three years of the contract period ... the Employer will be able to fund a three and one-half percent increase with an actual reduction in the base payroll each successive year.” (Brief, p. 43). In the Associations’ view, the County has “a strong fiscal policy and ... is on strong fiscal foundation.” It notes that the County is not the City of Camden. The “impact on taxpayers ... is extremely small and has been decreasing. The County tax rate has dropped in each of the last five years reported.” (Brief, pp. 43-44).

The County’s report of audit for 2009, Exhibit C-52, is the most information available on issues covered therein. The reduced tax rates in every year since 2005 are shown on p. 36. The rate decreased from \$.7642 in 2005 to \$.5592 in 2009. There was also “a significant increase in assessed valuation for property in the County.” The rates are reflected on p. 36 of C-52. The Associations see an increase greater than 50% in the assessed valuation over those five years, from \$28,702,913,153. in 2005 to \$43,385,702,640. The taxpayers are “in an enviable situation” with a “rapidly increasing assessed valuation and a significantly decreasing rate of County tax.” (Brief, p. 44).

The Associations also assert that “in each year for which data are available the county budget has been well within the CAP.” The 2008 budget

shows “the allowable tax under the CAP of four percent.” (C-3, sheet 3b). The difference between the actual levy and the allowable figure is \$15,244,475. This amount “rolls into the next year as a CAP bank.” (Brief, pp. 44-45). The same exhibit shows a 2006 CAP bank of \$1.3 million and a 2007 CAP bank of \$12.5 million. The amount under CAP has been growing. In the 2009 budget, the difference between the maximum amount to be raised by taxation and the actual amount of the levy is \$9,518,489. (C-4). The 2010 budget, C-5, shows a “budget adopted well inside the levy CAP (\$5,978,413). The 2011 budget is not yet available. The Associations rely on the prior years in which “the levy has not been a problem.” (Brief, p. 45).

The budgets for '08 and '09 also show “the surplus anticipated in 2008 over 2007” increased by \$7,122,473, “an 83.4% increase in the surplus anticipated for 2008 over 2007.” The figure for 2009 is \$4,927,374, or 34.6% increase in the surplus anticipated for 2009 over 2008. (Brief, p. 46).

An additional “barometer of governmental fiscal health” is that “the county debt service statutory limit was never even approached in any of the years reported.” In 2009 the debt was “fourteen one-hundredths of one percent.” (C-9). In 2008, the annual debt statement “shows eighteen hundredths of one percent to be the debt.” For 2010, the debt is thirty-eight one hundredths of one percent. “None of these comes even close to the county debt maximum of 2.5%.” (Brief, p. 46).

The cost of the bargaining units, compared to “the total adopted budget for the most recent year, 2010, is approximately 2% of the entire

appropriation.” A 1% change “would have an impact on the budget of .0002%.” “On a \$6,000 annual tax bill that works out to \$.07 per annum.” (Brief, p. 47).

The Associations cite the testimony of Vincent Foti, who testified for the Associations as an expert in public finance. He testified about the “speculative nature of ... the 2011 budget or any year thereafter.” (Brief, p., 47). The Associations view Chief Financial Officer David McPeak’s testimony as similar. “He acknowledged the variables that exist.” The budget is “still a work in progress.” (Brief, p. 49). The “trends ... appear to support the Associations’ position that this is a County with a solid fiscal picture.” (Brief, p. 50).

Criterion g8 “would import a comparison under [the] private sector concepts of ‘prevailing rate’ and ‘area standards’.” These “strongly support and award of the Associations’ position....” The units are poorly compensated relative to other law enforcement contracts. The “employer has created its own internal rate movement with the numerous contracts settled over recent years for other bargaining units.” (Brief, p. 51).

The fact that the County “paid zero pension contribution toward Police and Fire [pension] costs for five years” and paid 20% for four years under state law created additional savings for the County. (Brief, p. 52, savings detailed in Exhibit P-18). On this evidence, the Associations assert that the County “received huge savings in the past and spent it.” (Brief, pp. 52-53).

As to the County’s proposal to change the health care benefits, the proposal contains “a significant amount of reductions in benefits....” Chart 13 provides examples. The Associations claim the employer has not “establish[ed]

a need” to change the health benefit program. The Associations review evidence that the County has realized savings in anticipated costs for health insurance. In 2009, Sheet 19 shows that only \$15,154,300 was spent out of an allocation of \$21,875,000 and \$2,956,724 was “reserved.” (C-4, Sheet 19). In 2010, “the reserve for health benefits resulted in the return to the county of \$32,803.” “While it is true that some other non-law enforcement bargaining units ... have been coerced into taking this type of package, they also got increases that exceeded 4% in some years that are at issue here.” (Brief, p. 54).

Position of the County

Fiscal Condition

The County contends that like other state and local governments, its “financial condition ... has deteriorated over the last few years. As of the end of 2007, the County had a surplus of \$33,750,143, reduced to \$30,859,206 by the end of 2008, \$23,244,618 in 2009 and \$16,987,945 in 2010. (Brief, p. 1; C-6, sheet 21, C-7-21, C-8-21, Annual Financial Statement for 2010). This is a reduction of almost 50%. The County anticipates that the surplus “will have been reduced by an additional \$7,000,000” according to Mr. McPeak’s projection. (C-24, Tr. 2, pp. 71-72).

The County anticipates “a budget shortfall of \$43,075,000 as it prepares to balance the budget for 2011.” (Brief, p. 1). If the County uses \$7,000,000 of its 2010 surplus to balance the 2011 budget, “the projected surplus at the end of 2011 will be closer to \$10 million rather than the \$8 million previously

projected.” (Brief p. 1, n.1). Exhibit C-24 details the County’s projected increases in expenses and loss of non-tax revenues. The County budgeted no salary raises for management employees and those who have no settled contracts for 2011. “Any projected increase in 2011 will increase the projected shortfall for 2011.” (Brief, p. 2). Those include Prosecutor’s investigators and superior officers, assistant prosecutors, clerical staff of the Prosecutor’s office, employees of the Superintendent of Elections, Park Police and correctional superior officers.

Among the shortfall areas is an increase in the cost of health benefits of \$9,000,000 over 2010 costs. The County paid \$33,307,850 for medical premiums in 2010. The renewal premium is \$39,802,881 for the fully insured program. A move to a self-insured program would limit the increase to \$3,641,115. The renewal for the pharmacy aspect of the fully insured plan would cost \$22,983,168; a 56.8% increase. The self-insured plan would limit the increase to 36.1%. (Brief, pp. 2-3, C-23). There will be a cost of \$56,904,155 for 2011, an increase of \$8,941,077 for 2011.

The County points out that the increase “is far less than what it would have cost if the County continued its fully funded program.” It must fund enough money to cover potential claims for the 2011 budget year, including any expected increase. (Brief, p. 3).

The revenue losses shown on Exhibit C-24 include \$775,000 in loss of bail forfeiture revenue; \$700,000 in loss of revenue from the Register of Deeds; \$300,000 in loss of interest income; \$1,600,000 in loss of revenue generated by

housing state inmates; and, \$3,100,000 in loss of surplus revenue from the CCMUA. (Brief, p. 4, quoting Mr. McPeak's testimony). "The only increase anticipated by the County is an increase of revenue generated by the Sheriff's Office amounting to \$500,000." That is the increase in 2010 over 2009 and "it is permissible to anticipate" the same increase in 2011. (Brief, p. 4).

The County disagrees with the Associations' claim that the Sheriff's Office generated almost \$8 million in revenue. (P-14). It cites Mr. McPeak's testimony and budget documents:

Contrary to the document introduced by the Unions, the Sheriff's Department did not turn over to the County \$7.8 million in 2009 (See Exhibit P-14). As Mr. McPeak testified the most he remembered ever being collected from the Sheriff was about \$1,000,000. This is corroborated by the County's budget documents. For instance, according to the 2010 adopted budget, the total revenue realized in 2009 from the Sheriff's Office was \$977,638.75. This amount is derived by adding \$728,638.75 as listed on Sheet 4 (See entry for Sheriff) of Exhibit C-5 and \$249,000 as listed on Sheet 9 (See entry for Sheriff) of Exhibit C-5. For 2008 the amounts collected were \$637,378.40 plus \$249,000 (See entries for Sheriff on Sheet 4 and Sheet 9 respectively in Exhibits C-4). For 2007, the amounts collected were \$821,491.50 plus \$249,000 (See Exhibit C-3, sheets 4 and 9 respectively). For 2006, these amounts were 1,166,329.31 and \$249,000. See Exhibit C-2, sheets 4 and 9 respectively). Moreover, the information contained in P-14 cannot be analyzed in a vacuum. It was for this reason the County requested the exact nature of the request for which P-14 was generated. That request was made on January 5, 2011 and is contained in the record for that date at T:90-7 through T:91-8. To date the Union has not supplied the requested document. (Brief, p. 5, n.4)...

The short fall might be reduced from \$22 million to \$18 million if the County realizes \$16 million in tax revenue and uses an additional \$2 million in surplus. According to the County, the "best financial information available" is the "numbers provided by Mr. McPeak." (Brief, p. 6). There are no other number in evidence on which the arbitrator can rely.

The County maintains “there is simply no money available to provide for an increase in salary” to these units for 2008-11. Any raises would increase the shortfall. (Brief, p. 7). The Sheriff is on notice that he will have a budget allocation of \$12,074,000 which is approximately \$2.6 million less than he had in 2010. The County cites the Sheriff’s testimony that he could save about \$2 million if he closed the transportation division. That decision would be “unpopular” and would leave a shortage of about \$600,000 for 2011. That allocation “is the only number available at this time...” (Brief, p. 7).

Healthcare Benefits

Management proposes to replace Article XII, Health Insurance, of the 2003-2007 collective bargaining agreement with PBA 277 and Article XXVI, Medical Benefits, of the collective bargaining agreement between the County and the superior officers and replace it with the comprehensive proposal attached to Joint Exhibit 3. The proposal includes six pages of insurance provisions and the attached exhibits that further describe benefits and conditions. In addition to the substantive changes, the County “propose[s] a complete reorganization of that Article with the various new sections organized under appropriate sub-headings ... [to] make it much easier to read and understand...” (Brief, p. 8).

The County proposes to eliminate the traditional/indemnity plan. Its “primary motivation ... is that it is more costly than the managed plans.” (Brief, p. 9, C-22) The exhibit shows that the traditional plan costs \$4,415.88 per year more than the lowest cost plan and \$1,940 per year more than the

next most expensive option.” (Brief, pp. 9-10). The cost figures do not include the prescription component of the insurance benefit. The traditional plan requires no referrals and has no negotiated fee structure with providers. “The County simply pays whatever the doctor or facility bills.” (Brief, p. 9, quoting testimony of Insurance Director John O’Donnell and C-22). The traditional plan costs more than any of the other plans listed on C-22. Despite the Associations’ objections to the County proposal, the County points out that there is no evidence that any member of either bargaining unit is currently enrolled in the traditional plan.

County Exhibit C-16 is the consolidated billing sheets for the month of November, 2010 showing costs for each individual, grouped by collective bargaining unit. Sheriff’s Officers are shown on pages 94-102. “Not one sheriff’s officer, either active or retired, was enrolled in [the traditional] plan.” Sheriff’s superior officers are listed on pages 121-122. None of them was enrolled in the traditional plan. (Brief, p. 11). The 2003-2007 collective bargaining agreements permit both officers and superiors to enroll in the traditional plan. In addition to the cost factor, the County wants to “reduce the number of plan designs” to make the benefit easier to administer. (Brief, p. 11).

A number of recent collective bargaining agreements have eliminated the traditional plan. (C-27, Supervisory Unit of Council 10, 2008-2012; C-34, Correction Officers, PBA Local 351, 2006-2012; and C-28, Council 10 Large, 2008-2012. Under the Council 10 Large agreement, employees who are

currently enrolled in the traditional plan may remain in the plan. Otherwise, the option is eliminated. “The same is true for the Council 10 Crafts contract and Parks, Highway, Lakeland Complex,” C-30, C-32. (Brief, p. 11, n. 12).

The County proposes to change the existing “opt out” language to conform with P.L. 2010, c-2 at 37., which limits the waiver payment an employer may pay to “50% of the amount saved by the county.... And for a waiver filed on or after the effective date of P.L. 2010, c.2, which shall not exceed 25% or \$5,000, whichever is less, of the amount saved by the county ... because of the employee’s waiver of coverage.” Moreover, the decision to allow “employees to waive coverage and the amount of consideration to be paid therefore shall not be subject to the collective bargaining process.” (Quoted in the brief, pp. 12-13). The County’s proposal at Section E allows employees to opt out and to receive the maximum incentive payment.

Both the PBA 351 and Council 10 collective bargaining agreements have opt out language identical to what is proposed for the Sheriff’s Officers and Superior Officers.

The County also seeks a contribution toward the cost of health insurance benefits in the amounts of 10% of premium for the HMO plan, 12% for the PPO plan and 11% for prescription coverage. “Pursuant to state law, a minimum of 1.5% of base salary would be charged in the event the proposed amounts yielded less than an amount equal to 1.5% of the employee’s base pay.” (Brief, p. 14).

Under the current collective bargaining agreements, employees with

fewer than 6,9, or 12 years of employment contribute between 20% and 0% depending on hire date. (See J-1, pp. 16-17; and J-4, pp. 26-27). “All deductions are limited to a maximum of 5% of an employee’s base pay, not including shift differential, overtime, and other fringe benefits.” (J-1).

Contracts signed in County bargaining units after 2005 provide for some level of contribution to the premium. (C-26, 34, 36, 38, 39, 53, 54). “As early as 2006, through the collective bargaining process, [the County] began requiring all employees ... to contribute toward their health insurance.” (Brief, p. 17). Many members of the Sheriff’s Office units paid nothing toward the cost of health insurance.

The County cites BLS statistics from a national compensation survey conducted in March 2010, showing the percentage of premium cost paid by employers and employees. level of contribution. Civilian employees pay an average 18% of their premiums, the private industry share is 20% and state and local government workers pay an average 11%. The former figures are for single coverage; for family coverage, most employees pay 27 to 30%. (C-18, Brief, p. 17). Significantly higher than the amounts proposed here. The County notes that most employees are in the private sector. “It is these workers who pay the bill, as taxpayers, for the benefits provided to public workers.” The County seeks contributions from 10-12% as “a small step in bringing employee contribution levels more in line with what the majority of taxpayers pay for their benefits.” (Brief, p. 18). Prescription coverage is separate costs the same across the medical plans because the County pays

separately for that coverage. Another reason to ease the burden on taxpayers is that Camden County's unemployment rate was over 10% in January through September, 2010. (C-17).

Under the current collective bargaining agreements, unit members pay a \$10.00 co-pay for primary care visits and \$15.00 for specialists. Management proposes to increase these amounts to \$20.00 and \$25.00, respectively. Other County collective bargaining agreements include these co-pays. (C-53, 54, 36, 38, 25, 26, and 39). "In fairness to all Camden County employees, it is simply time for the members of the subject unions to accept this change." The change will also simplify administration of the plans." (Brief, pp. 19-20).

The County proposes two plan designs, one HMO and one PPO plan. It acknowledges that there are "a number of minor changes to the current plan enjoyed by the Sheriff's officers and their superiors (in addition to the increase in co-pays), the most significant in the new plans, is a \$200.00 co-pay for a hospital visit." (Brief, p. 20, J-3, p. 5, Para F and Appendixes A and C.) Recent collective bargaining agreements in the County reflect the changes sought here. (C-34, C-27, C-28, C-32, C-32, C-33).

Prescription benefits now include a co-pay tied to base salary as of January 1 each year. The County seeks an increase in co-pays. It has negotiated increases with a number of other units. (C-53, C-36, C-54, C-25, 26, 38, 39, 27). In 2010 management negotiated slightly higher co-pays for generic drugs. (C-34, 27). Recently concluded agreements continue the co-pays. (C-28, 33, 30). The County's proposal for these units would "add \$2.00

to the scale in each tier for a one month supply of a brand name drug” and double the co-pay for a one month supply. This “is the next logical progression in [the County’s] bid to adjust co-pays.” (Brief, p. 23).

The increases are expected to “rein in the cost of providing prescription benefits which increased by 36.1% in 2011 over 2010.” The increase for a three month supply is now the same as for a one month supply. There should be “a higher correlation between the amount of pills dispensed and the amount of the co-pay.” The County suggests that any increases awarded be effective with the date of the award. “These units have been paying the least amount of co-pay for a longer period of time when compared to the other unions, [therefore] it is fitting that these new increases begin with them.” (Brief, p. 23-24 and n.25).

Benefits in Retirement. Under management’s proposal, current employees with 25 years of service with the County or 25 years of service credit in a state or locally administered retirement system and those retiring on an accidental disability would continue to receive free health benefits if they retire prior to December 31, 2011. They would continue to pay the same medical and prescription co-pays and deductibles they paid as active employees. Those retiring after December 31, 2011 who meet the service requirements would contribute a percentage of their premium equal to ½ the percentage paid by active employees. Examples are in the brief. (P. 25). If future contracts call for higher contributions, retirees would pay half those new amounts. They would also pay the same co-pays, deductibles and co-insurance as active employees

and would pay any negotiated increases that apply in future years. The County's proposals would end having separate plans for retirees which would help reduce the cost of providing health benefits and make administration of the benefits easier.

The proposal would also require retirees who are 65 or older and eligible for Medicare to enroll in Medicare Parts A & B and to pay the cost of those programs in addition to their percentage contributions. "Medicare eligible retirees and their spouses would also be enrolled in the County's Medicare Advantage Plan which is essentially secondary to Medicare coverage." (Brief, p . 26).

The County's proposals in this area are the same, "except for some minor changes," as the plan accepted by the Council 10 Supervisors. (C-27). "The most significant difference is that employees contribute toward premium in retirement if they retire after 2012" instead of 2011 which is proposed for these units. (Brief, p. 26). Before the Council 10 Supervisors' contract, only retirees with less than twenty-five years of service contributed toward the cost of their health insurance. (C-25,26,36,39, 53 and 54). Those employees contributed 10 % of their premium even with twenty-five years of service. In subsequent contracts, all employees retiring after 2010 contribute toward their health coverage in retirement. (C-34, 28, 33, 32, and 30).

The County also seeks to reduce the time limit for reporting a change in status (such as divorce, death of a spouse, etc.) from 90 days to 30. This would reduce the County's exposure to extra costs due to an employee's

change in entitlement. Other recent collective bargaining agreements have incorporated a shorter reporting period. (C-27, 34, and 28).

Management also seeks “the right to change carriers and/or remove specific plans so long as it agrees to maintain substantially similar benefits to those in existence on January 1, 2010.” The County needs the flexibility to reduce the number of plans, not only to achieve cost savings but to ease the burden of administration.” (Brief, pp. 27-28). This language is in the Council 10 Supervisors’ contract, C-27, and in the PBA 351 and Council 1-0 contracts, C-34, C-28, C-33, C-32 and C-30).

The County’s proposal on dependant coverage is to “update the provision in accordance with applicable law which allows dependant children to remain covered until age 26 without regard to student status. The change was incorporated into the most recent Council 10 contracts. C-28 is cited as an example.

The County wants to eliminate the vacation/sick bonuses of the collective bargaining agreements at issue. This type of benefit is “unavailable to the taxpaying public” and “puts additional pressure on the Sheriff’s budget.” A decrease in vacation time would decrease the amount of overtime for the Sheriff, who “is already short of manpower.” (Brief, p. 29).

The County proposes to adjust the sick time sell back provisions which “are completely out of sync with what has been agreed to with the other bargaining units ... especially the more recent contracts.” (Brief, p. 29). Some agreements contain maxima and some hired after the contract may no longer

sell back any time at retirement. (C-38, for example). Sick time sell back has been eliminated in the Council 10 Supervisors' contract after 2015. The same is true of the recent corrections officers contract, (C-34), Council 10 contracts (C-28, 33, 32, and 30). The trend is toward "limit[ing] the ability to sell back sick time at retirement to include: twenty-five years of service; 50% of the amount accumulated; a maximum amount of between \$15,000 and \$25,000; an end to additional accumulation of sick time for sell back purposes and an eventual elimination of sick time sell back at retirement." ((Brief, p. 32).

Management seeks to eliminate the merger language of Article XXVI, Section 6 and the same provision in the Superiors' contract. The Sheriff might be able to find some relief in the manpower shortage by absorbing the park police officers. However, the merger language is a major deterrent to that absorption. (Brief, p. 33).

The Sheriff would eliminate the seniority clause of both contracts and eliminate the bidding procedure in the J-1 contract. The "bidding process prevents the Sheriff from selecting who he considers the best individual to any particular assignment. The system is inefficient and "contrary to effective resource management." (Brief, p. 33).

Both Superiors and Officers receive six personal days per calendar year. They also have fifteen sick days and up to twenty-six vacation days (twenty-three for Superior officers); and, thirteen paid holidays. "A reduction to four personal days is a small step in reigning in such excessive benefits." (Brief, p. 33).

The County proposes the elimination of the twenty-two step increased for sheriff's officers and superior officers of \$6,000 and \$5,000 respectively. It argues that the "bumps in salary are simply not justified" in "the current economic climate" and in light of the County's "present financial condition." (Brief, p. 34). It also seeks the elimination of step increases for new employees. The step system was modified in the current correction officers' contract. (C-34). Under the Council 10 Large contract, employees hired after the signing of the agreement will not receive step increases. The current hiring rate was increased by 3.5%. (C-28).

The County argues that the most relevant statutory criterion is the financial impact on the governing unit. It cites "the dismal nature of its present economic situation." "Any wage increase ... will only add to th[e] shortfall" and will have "an extremely negative impact on the County's finances." Layoffs are inevitable in view of the significant cost of salaries and benefits in the Sheriff's department. A salary increase would increase the number of layoffs and "negatively affect the continuity and stability of employment." (Brief, pp. 35-36).

The County notes that recent contracts "were negotiated before the County realized its true financial picture for 2011. Even so, many of those contracts contained at least one year without a raise and reduced amounts in other years." There are no raises for '09 and '10 in the most recent Council 10 units, "other than a one- time payment that did not go into base, and what amounts to a 1.4% increase in 2011." (Brief, p. 36, C-33, 28, 30, 32).

The County claims its financial condition “has significantly worsened since then.” That supports the argument that the financial impact criterion is the most relevant factor for deciding wages. With respect to the Associations’ proposed 3.5% wage increases, the County points to the CPI for the Philadelphia-Wilmington-Atlantic City area – 3.4% in 2008, 2.7% for the second half of the year; -.4% for 2009, and 2.5% for the first half of 2010. Sheriff’s officers and superior officers got 4% increases in 2007 when the CPI was only 2.2% . (Brief, p. 36, n.28).

Contracts from outside the county should not be used for comparison as the financial condition of those jurisdictions is unknown making comparison meaningless. Management also asserts that sheriff’s officers “do not perform traditional police activities on any consistent basis.” (Brief, p. 37, n. 30 and quoting the Sheriff’s testimony, T2, pp 42-44).

The most relevant criterion for evaluating the insurance proposals is g2c; that is, the proposals “are in line with what [the County] has negotiated with its other collective bargaining units over the last several years.”

The County opposes the Associations’ longevity proposal for officers and superior officers. This benefit was discontinued for officers in January, 1995 for new hires as of that date. “The benefit of that bargain would be lost under the Unions’ proposal.” The cost would further burden the County’s finances.

There is no justification for rolling holiday pay into base salary in the Employer’s view. That would increase rates for overtime and shift differential, adding to the burden. The same lack of justification exists for the proposal to

increase vacation days for superior officers. The grievance procedure proposal has no support in the record.

As to the proposal to delete Article XXV, there is no evidence that the provision has adversely affected members of the unit. "Having to negotiate issues during the course of an active Agreement only destabilizes the situation." (Brief, p. 39).

AWARD

For reasons discussed in the sections below and in consideration of the statutory criteria and the record as a whole, I make the following award:

Term of the Contracts: January 1, 2008 through December 31, 2012

Wages:

Effective 1/1/08	1.0 % increase
Effective 1/1/09	2.5% increase
Effective 1/1/10	2.8% increase
Effective 1/1/11	2.8% increase
Effective 1/1/12	2.8% increase

All increases are to be retroactive to January 1 of the year in question.

The County's proposed insurance article shall replace Articles XII and XXV in the 2003-2007 contracts.

The Associations' proposal to add two vacation days when a new member is promoted to the rank of Lieutenant is awarded.

As discussed herein, none of the other proposals is awarded. None of the proposals meets the party's burden of proving a need for the change.

I have not adopted the Associations' proposal to extend the contract through 2013 in view of the difficulty of determining what might be reasonable for that year. None of the other units has a settled contract for that year and

there is no record data on the County's ability to pay.

Application of the statutory criteria to the award

The criterion dealing with the interests and welfare of the public is always relevant. Interest arbitrators have characterized this criterion as one that requires balancing the competing interests of employees, employers and the public both serve. The criterion requires fairness to employees in order to maintain labor harmony and high morale and to provide adequate compensation levels to attract and retain qualified employees. The risks inherent in the job are balanced by appropriate compensation. Maintaining the sound fiscal health of government bodies is also in the best interests of the public. The public also has an interest in a high level of government-provided law enforcement/peace-keeping.

An award of the County's insurance proposal is supported by all of the statutory criteria. It is in the public interest to control such ever burgeoning costs as health care coverage for employees. When individuals are responsible for a share of those costs, their stake in controlling them increases. Most employees in the County, in other public sector and private sector employment contribute toward the cost of their health benefits. The employees in these units receive wages and overall compensation adequate to permit them to cover these contributions as other less well paid employees do. To some extent, the proposed changes conform with new legislative mandates on the Employer and are adopted by necessity.

The County's insurance proposal eliminates the traditional plan which

has no effect on these units because no sheriff's officer or superior officer is enrolled in the traditional plan. The traditional plan is more expensive and its elimination reduces the number of plan designs. The traditional plan has been eliminated in the Council 10 Supervisory unit (C-27), Corrections (C-34), and Council 10 Large (C-28).

The opt out provision must be changed as a matter of law. (Brief, pp. 12-14).

The insurance proposals would provide contributions from employees toward the premium cost of health benefits. Under the new law, 1.5% of base salary would be charged if the proposed amounts yield less than 1.5% of base pay. Prior to the change, employees paid between 0% and 20% depending on when the employee was hired. Contracts signed after 2005 with other county units required some level of contribution for all.

Management also seeks to increase co-payments for medical visits. Employees in other bargaining units have been paying higher co-pays for years while sheriff's officers and superior officers continue to pay \$10 and \$15.00 despite their relatively higher salaries. Management also seeks increases in prescription co-pays. Many other County employees now pay higher co-payments for prescription drugs.

The insurance proposals would also affect retiree benefits. Current employees with twenty-five years or more of service would continue to receive free health benefits if they retire prior to December 31, 2011 and would pay the same medical and prescription co-pays as when they were active employees.

Other retirees would pay in accordance with a scale equal to one half of what active employees pay. As is the case in most private sector plans, retirees eligible for Medicare would be required to enroll in Medicare Parts A & B and to pay for them in addition to their percentage contributions. Other County contracts reflect these payments. (C-25, 26, 36, 53, 54).

Other miscellaneous insurance proposals are detailed in the County's brief. It is safe to conclude that most employees of this employer, if not all of them, will pay a larger portion of their benefits than they have in the past. There is no evident reason why the units in this interest arbitration proceeding should not share in these costs.

Of the comparison criteria, the most significant for this award is comparison of these units with other units of the same employer. Compensation for these units comes from the same source and affects the same taxpaying public. The ability of the employer to pay without exceeding its lawful authority to raise revenue through taxes is the same across bargaining units. There is no sound reason for imposing a radically disparate burden on the Sheriff's officers and superior units. That effect would not be justified by any criterion. In order for the internal structure of the wage system to be maintained, the amount of money available for wages and wage increases should rise and fall at about the same rate for all the employees of the governmental unit.

An award that retains the relative standing of employees of this employer serves the important value of protecting the internal consistency of the overall

wage structure. Similarly, it is reasonable to expect employees who make significantly more than their counterparts to contribute to the cost of their benefits commensurate with their income. As the County points out, employees in these units have had the advantage when it comes to Employer-paid benefits.

Except to note that most private sector employees contribute to the cost of their health benefits, comparison with private sector employment is not useful. There are no comparators in private employment for the functions performed by the Sheriff's officers. For public employment in general, there is little evidence in the record. The record more thoroughly covers public employment in Camden County. In that universe, the law enforcement employees of this employer are the best comparators.

The overall compensation of these units is similar to that of other law enforcement units in the County. At the top step in 2007, officers earned \$73,107; sergeants earned \$81,409, lieutenants earned \$94,004 and captains earned \$100,215. Other economic benefits are the same across the units except for vacation days. Employees with 26 years of service in the officers' bargaining unit enjoy 26 vacation days whereas the top vacation benefit for superior officers is 23 days after 21 years. This fact justifies the award of two additional vacation days for lieutenants who would otherwise lose two vacation days on promotion. The award affects very few individuals.

The officers and superiors receive 13 paid holidays, 6 personal days, paid uniforms, 15 paid sick days per year, funeral leave in various amounts, and a

\$775 contribution to the Associations' health and welfare plans. Their overall compensation is below average for law enforcement personnel.

There is little information in the record about the lawful authority of the employer. There is no evidence in the record to show that the wage increases awarded would cause the County to exceed its lawful authority.

The best evidence about the impact of the wage award on the County is provided by the Associations. Specifically, the current cost of the bargaining units base pay is \$10,387,981 according to the undisputed calculations. Thus, 1% costs \$103,879. The figure is conservative because not all employees in the unit are at top step which is the assumption of the Associations' calculations. Also unchallenged are the Associations' assertions about cost savings generated by the loss of a number of officers and, while the figure is disputed, the fact remains that Sheriff's officers generate income.

Having concluded that the best universe for comparison is County employees, I have looked to settled contracts for the years at issue here. These are (for 2008 and 2009, the Camden County Prosecutor Superior Officers (C-26, 06-09), Prosecutor's Investigators (C-25, 06-09), Council 10 Supervisory (C-27, 08-12), Council 10 Large (C-28, 08-12), Camden Parks & Highway (C-32, 08-12), Mosquito Commission (C-33, 08-12), Camden County Corrections (C-34, 06-12), and Prosecutor & Council 10 (C-39, 06-10). It appears that some of the units received no wage increase in some of the years at issue.

As to the wage increase, the County argues that "any wage increase for the years 2008 through 2011 will only add to th[e] shortfall" and end up

causing layoffs that would adversely affect the continuity and stability of employment. While this is probably an accurate assessment of the cost of wage increases, there is no evident basis in this record for singling out these two units to receive no increases or increases much lower than the other units achieved. The brunt of the shortfall should be spread out according to the County's staffing needs and resources and should not be based on which units have not yet succeeded in negotiating successor agreements.

The award of the County's insurance proposals is closely tied to the wage increases awarded. The County will achieve significant savings through the adoption of its insurance proposals. The amounts thus generated will go toward funding the wage increases. Wage increases were the quid pro quo for other units who accepted the insurance changes.

Economic change of the wage increase

There is insufficient data on which to calculate the cost savings that will accrue to the County as a result of the award of its insurance proposal.

County Exhibit 23 shows savings of \$2,853,916 for the conversion to self insured with AmeriHealth (over 2011 renewal) and a savings in pharmacy benefit costs of \$3,027,978 over 2011 renewal.

For the wage increase, I have used the PBA/SOA figures as they are the only ones in evidence. Applying the percentage increases to the 2007 base cost, the net annual increase is as follows:

2007: current unit base pay	\$10,387,981.
2008 + 1% = \$ 103,879	\$10,491,860 (08 over 07)
2009 + 2.5% = \$262,296	\$10,753,482 (09 over 08)

2010 + 2.8% = \$301,097	\$11,054,579 (10 over 09)
2011 + 2.8% = \$309,528	\$11,364,107 (11 over 10)
2012 + 2.8% = \$318,195	\$11,682,301 (12 over 11)

AWARD

Term of the Contracts: January 1, 2008 through December 31, 2012

Wages:

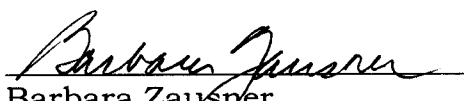
Effective 1/1/08	1.0 % increase
Effective 1/1/09	2.5% increase
Effective 1/1/10	2.8% increase
Effective 1/1/11	2.8% increase
Effective 1/1/12	2.8% increase

All increases are to be retroactive to January 1 of the year in question.

The County's proposed insurance article shall replace Articles XII and XXV in the 2003-2007 contracts.

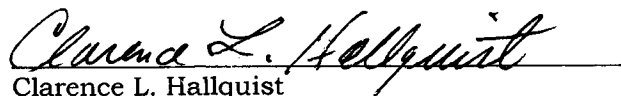
The Associations' proposal to add two vacation days when a new member is promoted to the rank of Lieutenant is awarded.

None of the other proposals is awarded.

BY: 
Barbara Zausner
June 10, 2011

New York
Ulster County

Barbara Zausner appeared before me on June 10, 2011 and she affirmed that the foregoing is her award in this interest arbitration matter.


Clarence L. Hallquist
Notary Public, State of New York
#01HA6119866
Qualified in Ulster County
Term expires December 6, 2012