

PUBLIC EMPLOYMENT RELATIONS COMMISSION
STATE OF NEW JERSEY
CN 429
TRENTON, NJ 08625-0429

Docket No. IA-96-025

In the Matter of Arbitration Between

HUDSON COUNTY SHERIFF'S OFFICE

-Employer-

and

PBA LOCAL 334

-Union-

OPINION

AND

AWARD

ARBITRATOR:

Robert E. Light, mutually chosen by the parties pursuant to the rules and regulations of the New Jersey Public Employment Relations Commission.

HEARINGS:

December 8, 1995, March 14, 1996, and June 6, 1996 in Jersey City, New Jersey. Both counsel thereafter filed post-hearing and reply briefs.

APPEARANCES:

For the County

James McGovern, Esq., Genova, Burns, Trimboli & Vernoia
Lawrence Henderson, Director of Personnel
Joseph Cassidy, Sheriff

For the Union

Richard D. Loccke, Esq., Loccke & Correia

PROCEDURAL BACKGROUND

Pursuant to Chapter 85, Public Law of 1977, the act providing for compulsory interest arbitration of labor disputes in police and fire departments and, in accordance with NJAC 19:16-5.6 (b), the undersigned was duly designated as interest arbitrator in the above matter. This designation was communicated to the parties and the interest arbitrator by letter dated November 9, 1995 from Timothy Hundley, Acting Director of Arbitration of the Public Employment Relations Commission.

A mediation session was held on December 8, 1995, and formal hearings were held on March 14, 1996 and June 6, 1996. By virtue of the statutory revision to NJSA 34:13(a)1, et seq., by the passage of the Police and Fire Interest Arbitration Reform Act (a-3296, C. 425 L1995) as well as by agreement of the parties themselves, conventional authority is vested in the arbitrator to decide the issues in dispute.

The revised statute cited above imposes upon the interest arbitrator the duty to:

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

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

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

(c) In public employment in the same or similar comparable jurisdictions, as determined in accordance with Section 5 or P.L. c. (C.)(now pending before the legislature as this bill): provided, however, that each party shall have the right to submit additional evidence concerning the comparability of jurisdictions for the arbitrator's consideration.

[(b) in comparable private employment.

(c) In public and private employment in general.]

(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:4-4445, 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 monies have been designated by the governing body in a proposed local budget, or (c) initiate any new programs and services for which public monies 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...."

* * * * *

FINAL OFFERS (see attached)

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The procedural history of the prior contractual relationship between the parties is "long and involved" as PBA counsel notes. For reference purposes, his summation of that history is repeated here:

“The timing of this petition and the term of agreement before the Interest Arbitrator in this case is unique to the process. The term effective in this award will be a term commencing January 1, 1994, more than 2 ½ years prior to this date. The procedural history predating the filing of this Interest Arbitration petition is long and involved. In brief, the parties entered into a series of Interest Arbitration proceedings, first before Interest Arbitrator Robert Mitrani (IA-92-126) and subsequently before Interest Arbitrator Jeffrey Tener (IA-92-126). The initial award of Arbitrator Mitrani had been vacated by the Superior Court in the County of Hudson and that decision was upheld by the Appellate Division of the Superior Court. The case on remand was heard before Arbitrator Tener. Arbitrator Tener issued an award dated June 22, 1995 which awarded a contract for a term of July 1, 1991 through December 31, 1993. At the time of the issuance of Arbitrator Tener’s award in June of 1995, approximately a year and one-half had expired since the termination date of the term of contract awarded by Arbitrator Tener. These parties have been without a contract since the termination date of Arbitrator Tener’s ordered termination date of December 31, 1993. Therefore under this arbitration process the effective date of the award will commence January 1, 1994.

POSITION OF THE PBA

In his post-hearing brief, counsel makes the following arguments:

1. The most important of all issues presented is the creation of a wage schedule and a step system. Chaos results from the current system. Differentials exist and widen between employees in the same job title; wage disparity between two employees hired a year or so apart will increase; the maximum rate of pay is an anomaly since no provision exists for any employee to attain it; and the County's proposal exacerbates this disparity. An automatic increment system is essential to proper compensation and for the proper delivery of services to the public.

Interest and Welfare of the Public

It is doubtful that the public can be well served by a system that, due to the lack of a career path, leads young officers to leave the department at the first opportunity. The resulting high cost of recruitment, replacement and training is a wasteful expenditure of public monies that a step system would cure. Without question, the public will also be better served by a properly compensated, career-oriented work force who will have higher morale and who will provide better service.

As the present system exists, there is no provision for movement as was testified to by the series of PBA witnesses who all, in recent years, left the department for "greener pastures". The departments they left for, such as the Port Authority, NJIT and North Bergen all gained experienced young officers recruited, trained and given experience by the Sheriff's Department at taxpayers' expense. In the past two years 47 left - a 38% turnover rate. The absurdity of the system was graphically demonstrated by testimony that an officer hired in 1991 is now making only \$400.00 more (\$18,563.00 versus \$17,900.00) than a new officer's starting rate.

Counsel notes prior testimony from Chief Zlotz which established this department's credentials as a full service law enforcement agency and which also confirmed, in his own words, the single reason for people leaving the department when he noted "It's always financial."

In conclusion, counsel argues that it is obvious that the interest and welfare of the public is not being well served by the current pay structure. The County never contested any of the above-cited proofs. The public interest and welfare would be best served by the implementation of a reasonable automatic annual increment system.

Comparability

Counsel asserts that the comparability factors found in the second and third statutory criteria must favor the PBA's final offer in light of the numerous police department and county sheriff's contracts placed in the record by the PBA. To begin with, the Hudson County Sheriff's Office is the only one of the numerous comparable forces cited which does not have a step system. Counsel cites the interest arbitration award rendered by Arbitrator Michael S. Murray involving Hudson County and PBA Local 51 on March 12, 1996 which rejected the County's argument against a step system and awarded an automatic annual step increment system for those officers not at maximum pay. Counsel quotes extensively from the Murray award in urging that this rationale be followed in this arbitration. Counsel does note that the ultimate effect of the Murray award was to implement increases far in excess of those sought by the PBA in the present case. In fact that award resulted in a double-digit increase for those not at maximum. Counsel argues an award implementing its final offer in this case is far short of that which resulted from the Murray award.

As to the settlement reached by the SOA and the Sheriff's Department, while it does not have a step system, one is not necessary since various ranks exist within which no need for steps exist. Counsel does note that the settlement did result in a \$23,000.00 pay difference between a sergeant and a patrolman. Counsel argues, for this reason alone, the 5% offer to the SOA is not the same as the 5% offered to the PBA herein. Counsel cites the rates settled upon with the County Prosecutor's staff of 5.47% and 5.53% and the SOA Agreement of 5%, 5% and 5% which, again, is on much higher salaries, to argue that its requested increase is reasonable and fair. Counsel argues to the contrary that an award of the County's position would only widen the disparity in actual salaries paid.

In summary, counsel asserts that the Hudson County Sheriff's officers are so far behind in comparables as to require doubling and tripling of salaries to compare with other departments. He dismisses any comparison with the private sector that the County seeks to make and argues that it is clear that Hudson is last in any true comparisons with similar law enforcement units..

Stipulation of the Parties

Other than procedural agreements, the parties only other agreement, counsel notes, is the five-year duration of the term of the contract. Although they both proposed 5% increases across the board, the PBA offer included a step progression

Lawful Authority of the Employer

Counsel claims the award the PBA requests is within the County's lawful authority to pay. He argues that, since the only differences between the parties' offers is the \$1,500.00 annual payment per officer until maximum is reached, the only consideration is that amount which, at the

maximum, would amount to \$166,500.00 a year ($111 \times \$1,500.00$). Since the County settled with units with employees at much higher salaries, the per person increases paid to those individuals exceed the total sought per employee in this unit for both the 5% wage increase and the \$1,500.00 adjustment.

Note is made that the PBA's financial expert, Dr. Robert Werner, certified that cap flexibility of \$5,536,845.00 exists within the 3.5% cap limit and obviously a much higher amount within the allowable limit of 5%. Obviously no cap problem exists for the County.

FINANCIAL IMPACT ON THE GOVERNING UNIT, ITS RESIDENTS AND TAXPAYERS.

The claim is made that the step increase sought is imperceptibly small - .0005% - of the County's total budget (\$166,500./\$323,614,800.). Counsel argues that when the reduced expense of recruiting and schooling large numbers of officers is taken into account, this increase is counterbalanced to an extent. Fifty-seven percent of the 118 unit members have less than five years experience which documents a turnover and the unavoidable cost of training. Based on a \$9,286.00 per recruit training cost taken from a prior arbitration before Arbitrator Jeffrey Tener, counsel estimates the replacements needed for the 47 officers who left in '94 and '95 had to be trained at a cost of \$436,000.00. Compared with the cost of the increase sought, counsel alleges the elimination of the per year training cost would net the County \$51,721.00 in savings.

Counsel claims that since the County failed to present any direct testimony on this issue and the written submission from County Director of Finance Abraham Antun (entered over the strenuous objection of the PBA) raised no genuine issue, then an adverse inference should be drawn against the County's position. Moreover, Dr. Werner's reasoned conclusion that the

County has the ability to pay based on his detailed analysis must be credited over the Employer's witnesses' statement which is primarily nothing but editorial comment.

Cost of Living

In this case it is not appropriate to merely consider the "rate of change" in the cost of living in a simple comparison with the wage increase sought. Counsel argues that both the cost of living for a family of four, which is twice the annual salaries paid to these officers and the higher cost of living in this NYC metropolitan area, as recognized by the government itself (104 Federal Statutes, 1465 - P.L. 101-509-Nov. 5, 1990) paid to certain of its employees in a 16% differential special pay adjustment, both serves as proof enough that the increase sought by the PBA is supported by the cost of living criteria.

Continuity and Stability of Employment

It is self evident that double digit turnover in personnel is the norm, and this instability of employment is caused by the inadequate wages. The County never contested these assertions. The PBA's offer will have minimal financial impact on the County and will significantly reduce turnover, increase morale and combat other undesirable results of turnover.

The existence of a step system within County bargaining units and elsewhere is so all pervasive as to constitute an "area standard". The County's response (Exhibit C-169) is skewed and represents the cumulative costs without factoring the offsets which produce the true "net impacts" the PBA has calculated. Counsel urges that an evaluation of the net impact of

the costs will prove that the best interests of the public will be served by the awarding of its last offer.

POSITION OF THE COUNTY

In support of the adoption of the County's final offer, counsel cites the following points under the statutory criteria and other relevant arguments:

1. It is well established that a pattern of settlements between an employer and other bargaining units is of significant weight in interest arbitration deliberations. The reasons for this principle are self evident. Hudson County has settled with one non-supervisory uniformed employee unit (which represents 67% of the similarly situated officers) on five principles -- all of which are contained in its last offer to the present unit. Supervisory units constituting an additional 5% of uniformed forces have accepted virtually identical offers which differ only as to duration. The only exception outside of the present unit was awarded to Local 51's 66 members, but the award was under the old statute; is currently on appeal; and the unit involved has been eliminated, thus rendering the award of little or no significance.

The deviation from this pattern that the PBA offer seeks is the implementation of an automatic step program which no other unit has and which results in effective salary increases of 11.2% ('94); 10.4% ('95); 9.7% ('96); 8.8% ('97) and 7.9% ('98) in one PBA proposal - slightly lower in its alternate proposal, but both far in excess of the negotiated pattern for all of the remaining units in the County.

In summary, the awarding of an automatic step increment system which PBA Local 109 (representing 392 officers or 67% of non-supervisory uniformed County officers) disclaimed in

their settlement acceptance and which Arbitrator Jeffrey Tener rejected for this unit just last year for the prior contract (7/1/91 - 6/31/93) would create labor unrest and disharmony.

To remedy the Union's complaint, the County has deviated from its settlement pattern of freezing starting salaries with the remaining units and has offered to increase the starting salaries in this unit by 5% each year for the years 1994, 1995, and 1996.

Financial Impact

Counsel recites at length the dismal statistics portraying Hudson County's low socio-economic status, high property tax burden, high unemployment, and the "structural deficit" of the County's budget, all to argue that clearly the financial impact on the County, its residents and taxpayers would be better served by the adoption of the County's final offer. The very fact that automatic increments create built-in salary cost increases separate and, apart from negotiated increases, is reason enough to reject the PBA offer.

Counsel continues at length to statistically enumerate those indices which graphically portray the desperate straights Hudson County finds itself in. They need not be repeated at length except to note that if the County is not the lowest or the highest (which ever is less desirable depending on the index), it is then within the top or bottom three to five counties in the State. Where necessary, counsel relates how these affect the County's administration of public services. In detailing the **steps** taken by the County to deal with this crisis, counsel comes around to the point of arguing that automatic step increments are simply a reoccurring spending obligation the County can ill afford. If awarded it will exacerbate the structural deficit. Counsel presents figures which he asserts shows that the additional costs of its step proposal will result in either \$831,871.00 or \$861,545.00 of additional new money costs over the five-year contract term.

Cumulatively, without roll-ups, the cost of the PBA offer for five years exceeds the County's by a minimum of \$2,515,594.00.

In conclusion, counsel argues the automatic step increase will exacerbate the County's \$42.6 million structural deficit, and it can then only be considered unreasonable and therefore must be rejected.

Lawful Authority

Counsel notes that, unlike municipalities where the CAP law limits expenditure increases, the CAP law, as it applies to counties, limits increases in the total tax levy. Changes in the cap law in 1991 eliminated many former exclusions to the cap calculation such as costs for pensions, health insurance and corrections, thus worsening the County's structural deficit. This, together with provisions of the State takeover of court expenses, worsened the deficit which the County must compensate for under its obligation to adopt a balanced budget. Counsel argues that these three factors cited goes to the legal authority of the County and must be considered by the arbitrator. The additional ongoing cost of automatic step increases cannot be justified under the legal authority criteria in these circumstances.

Public Interest

The paramount interest is to allow the County to address and ameliorate the structural deficit discussed above. The arbitrator is charged under this criteria with maintaining adequate police service without exorbitant price. The increases the County has offered are competitive and consistent with the pattern among other units. It will cost the County nearly double to implement

the PBA's offer over that of the County's. In brief, the public interest will not be served by increasing the County deficit as the implementation of the PBA offer will cause.

Moreover, the facts concerning recruitment belie the PBA's claims that an automatic step increment is necessary to attract applicants. In 1993, 264 applicants passed a Civil Service test for the Sheriff's Department and are found on the eligible roster. Over five hundred applied and 357 took the exam for this position. The Sheriff's Office has experienced no layoffs since 1988; and no layoffs or privatization is planned. However, were the County required to fund step increases, such measures would have to be considered for this and other departments. It is clearly more reasonable for the public interest if the County's offer is awarded.

Continuity and Stability of Employment

Counsel argues that several factors overwhelmingly support the County's position when this particular criteria is evaluated. Briefly, in an economic climate where 85 County police and 92 Public Safety Department jobs have been eliminated, the announced intention by the County not to privatize or lay off, together with its willingness to contract for a 5-year period augers well for this department. All elements considered, the County's offer is the more reasonable under the stability and continuity criteria.

Comparability

Counsel argues that comparability is not the dispositive factor in interest arbitration. From a group of recent negotiated settlements offered by the County, it is shown that the average increase is 4.21%, while the County has offered 5% increases, thus easily exceeding this average. Counsel claims there is little or no support for increases of the true level that the PBA proposes.

namely, 11.2% in 1994; 10.4\$ in 1995; 9.7% in 1996; 8.8% in 1997 and 7.9% in 1998. Aside from deviating from the pattern of settlements negotiated by the County, the PBA proposal exceeds the "going rate" for public safety settlements statewide; exceeds the fiscal constraints the County and its taxpayers face; and consequently renders the County offer the more reasonable by far.

Further support for the conclusion that the County offer is the more reasonable is found in private and public sector settlements. Fourteen civilian bargaining units within the County accepted 3% increases each for 1994 and 1995. None have step systems. This same PBA received increases for the prior contract periods at 2% in excess of the non-uniformed increases. Thus the current 2% over their 3% settlements continues this pattern of uniformed over non-uniformed County bargaining units while the PBA proposal far exceeds it.

Private settlements for the relevant periods averaged 3% nationwide. Sheriff's officers - on an hourly basis - equal and exceed the rate for private sector manufacturing employees. The County offer represents real wage growth over the cost of living increases. The only conclusion that can be reached from all of these comparisons is that the County offer is by far the more reasonable. Counsel cites a series of further 3% and below settlements from the federal sector, State employees, and teacher nationwide statistics among others.

Counsel reviews the consistent sub 3% CPI figures for the mid-90s and notes this unit's increases exceeded this rate by 3.9% cumulatively for 1991 through 1993. These rates, he argues, further mandate selection of the County offer.

Counsel notes that the dental proposal the County made as part of its offer represents an increase in benefits and the retroactive effect proposal which will prohibit employees who leave

the County's employ from gaining retroactive economic benefits will not become effective until December 31, 1998, thus providing adequate notice to those in this unit who might be affected.

Overall Compensation

Counsel calls attention to County Exhibit No. 2 which details the comprehensive benefit package which, item-by-item, he asserts is at least comparable with other Sheriff's Departments and is enjoyed by this unit along with the second lowest number of hours worked of all of the Sheriff's departments in the State. This last factor alone must be considered when making comparisons with other County departments' salaries. It also offers reason to reject the PBA proposal to increase lunch to a full hour, thus reducing the already low 224 workday average by an additional 130 hours to approximately 208 days a year.

Non-Economic Proposals

Counsel reviews the eleven non-economic proposals contained in the County's offer, notes that they have been accepted by the Sheriff Superior Officers unit, argues they are reasonable and, accordingly, should be awarded. Counsel reviews each of the proposals and offers the County's rationale and justification for the awarding of all eleven non-economic proposals.

Rejection of PBA Proposals

Counsel reviews the eleven miscellaneous economic proposals contained in the PBA's offer and urges rejection of all of them. Basically counsel argues that none of them have been awarded or negotiated with the Superiors unit and, more significantly, the Association has failed

to introduce any evidence on the record to justify a problem these proposals would remedy or justification for awarding any of them.

Similarly, as to proposed changes or increases in seven economic categories presently existing in the contract ranging from holiday pay through overtime distribution, counsel argues that the PBA has again offered no justification as to why they should be compensated at or increased to levels greater than those enjoyed by the Superior's unit. In summary, counsel claims the awarding of any of these would result in an unjustified disparity and would disrupt the continuity and stability of the department. Finally, as to the ammunition supply provision, counsel argues that it was first broached by the Association in interest arbitration; was not included in the Association's original petition and consequently under PERC Rule 19; 16-5.3 (a) 9 and 19; 16-5.5 (a)1 it must be precluded from arbitration under Boro of Rutherford and Rutherford PBA Local 300 IA-87-196 (September 10, 1987).

In conclusion, counsel argues that overwhelming evidence exists on the record establishing that its offer is by far the more reasonable under the criteria and thus must be selected by this arbitrator.

Reply Brief

In counsel's reply brief exceptions are taken to arguments made by Association counsel in his post-hearing brief. Where appropriate, they will be noted in the Discussion section found below.

DISCUSSION

The Arbitrator has carefully weighed all of the evidence in the case including the contract, the voluminous exhibits, the testimony of the witnesses at the hearings, and the arguments of respective counsel as set forth both at the hearings and in their briefs prior to reaching his decision. This case is particularly unusual as a result of the past history of interest arbitration discussed earlier. Further, this matter was a difficult one and did not lend itself to any facile resolution.

Arbitrator Tener awarded the County's final economic proposal which covered the period from July 1, 1991 through December 31, 1993. Fortunately both parties have submitted final offers here with identical time frames, namely, calendar years 1994 through 1998.

This arbitration shall be decided in accordance with the revised Interest Arbitration Act as noted above which provides the arbitrator with conventional authority.

The respective offers now must be examined in light of the statutory criteria:

Stipulations of the Parties

If so viewed, the only substantive stipulation of note is the agreement of the parties that the term of the contract shall be for five years.

Cost of Living

This criterion clearly favors the County's offer. The five percent proposals exceed the cost of living increases for 1994, 1995, and 1996 to date. There is nothing to indicate at this point in time that the CPI would grow to exceed 5% in 1997. Any prediction from either side for 1998 would be too speculative at this point. The record discloses this unit has received increases

two percent in excess of the CPI for 1992 and 1993 and cumulatively exceeded it by 4.9% since 1990. Association counsel's reference to the 16% pay differential paid to federal law enforcement personnel whose post of duty is in the New York-Northern New Jersey-Long Island-CT area is noted as an argument against a "knee jerk" application of the national CPI to Hudson County. However, it must be borne in mind that we are not dealing with the federal sector and the average officer's salary in this unit is greater than 55% of the average family income in the County. In summary, the 5% County offer is clearly the more reasonable of the two offers under this criteria.

Overall Compensation

The officers in this unit receive a comprehensive package of benefits. Except as discussed below, the package currently in place is more reasonable than the package with the plethora of increases and new monetary benefits the Association proposes. In brief, the current benefit package, together with the limited additional dental benefit as a whole, is favored under this criteria.

The consideration of the benefits they receive also favors the wage increase proposal offered by the County over that wage increase and step implementation offered by the Association.

Financial Impact

The overwhelming evidence introduced by the County graphically portrays the economic distress this once mighty County finds itself in as the result of a myriad of factors. The arguments of the Association have been heard. County counsel, in his brief, acknowledges a problem with the low starting salary "compared with the County's remaining uniformed units" and offers the

County's solution of a 5% increase in the starting salary for each of the contract years of 1994, 1995 and 1996. This will be further commented on below. The issue is raised here for the purpose of concluding that the Association's offer, as proposed, will have a further detrimental effect and impact on the County, its taxpayers and its citizens.

Heed has been paid to the opinion letter of Dr. Robert Werner, the PBA's financial expert, as it has to the certification of County Director of Finance Abraham Antun. Note is also made of the somewhat unnecessary comments made by County counsel in his reply brief responding to Werner's opinion. In assessing all of the factors brought to the Arbitrator's attention, a narrow focus must be maintained on the concept of the financial impact the awarding of the offers would have on the County, its citizens and taxpayers. The PBA did not project the cost of its step program. The County did. (see brief, page 15-17). Little exception was taken to the County's calculations and the figures have been verified by the Arbitrator. PBA counsel did object to Exhibit C-169 on the grounds that it is based on a cumulative "base year" comparison as opposed to the PBA's net comparison which counsel argues is fairer. The bottom line is that the Association offer, at the minimum, will add \$2.5 million to the County's burden over the contract term. In light of the multi-million dollar deficits the County has been forced to make up with one-time financial transactions, the only conclusion that can be reached is that the County's offer prevails under this criteria.

Lawful Authority

Based on the extensive financial data supplied and the opinions of the experts provided, it appears that no absolute conclusion can be reached under the cap law that the awarding of the

Association's offer is absolutely precluded. In sum, it is concluded that the CAP law would not be violated by the adoption of either final offer.

Interest and Welfare of the Public

The Association presented a convincing argument as to the turnover of personnel within the Sheriff's Department. Even without the personal testimony of witnesses, some of whom more than doubled their salaries in the department going elsewhere, the simple statistics showing nearly a 38% turnover rate in the past two years more than proves the point. Were there no countervailing concerns on the Employer's side, this turnover and morale problem would carry the day for the Association under this criteria. As noted elsewhere, the overwhelming financial problem plaguing the County and the existence of the pattern dictates that the interest and welfare of the public will be better served by the selection of an offer similar to the County's.

Comparability

There is little doubt but that the PBA's offer prevails under the comparability criteria as to comparable law enforcement units. Clearly the lack of automatic step progression appears to be almost unique among comparable law enforcement units in the County and statewide as to equivalent sheriff's departments. On this level of comparability, the PBA offer prevails.

A closer result occurs in the comparison of the remaining criteria, that is, in private employment and in public employment in general and within Hudson County. An analysis of the average single and family income within the County shows a Sheriff's officer roughly comparable. This is confirmed by other available statistics. More weight is placed on criteria C of the statute comparing these officers with employees in public employment in the same or similar comparable

jurisdictions. As a result, the judgment is reached that the County's final offer, particularly as to the proposed step increase issue, serves to provide the advantage to the PBA under this criteria.

Continuity and Stability of Employment

The County prevails under this criteria by a narrow margin. Traditionally the stability argument is a virtual "given" for governmental entities. Historically public employment, particularly law enforcement, has been among the very most stable of employment positions. Counsel for the County predictably relies on these arguments to prevail in this category. However, the County's recent abolition of its police gives pause in any rush a conclusion in this criteria. Although there are several convincing arguments to distinguish the groups and to provide assurance it could not happen to the Sheriff's officers, the fact nevertheless is present for consideration. The other significant factor which equally applies to any evaluation of this criteria is the indisputable exodus of highly competent officers from the Sheriff's Department. The record shows nearly a 38% turnover in the years 1994 and 1995. As noted earlier, there is no dispute but that salary is the sole reason this has occurred. The open question is whether the money problem arises from lack of steps or the delay in receiving awarded wage increases.

Arguments exist on both sides as to whether the fact that the County has an overabundance of candidates to step into these vacancies is sufficient to blunt the argument against the County's position as the cause of the problem. The arbitrator sides with the PBA in this argument and concludes that merely because applicants exist to fill these vacancies is not a sufficient solution to the problem. There can be little doubt but that this magnitude of turnover has a detrimental effect on the operation of the department. While the turnover of personnel and

the lack of a career path is a significant issue, the fact remains that, on balance, the County prevails overall when evaluating this criteria.

County counsel, in his reply brief, notes that Arbitrator Tener found that it was "more accurate to ascribe the recent turnover to the fact that employees are still receiving 1991 rates rather than to the fact that there is no automatic step system". (Company Exhibit No. 12, Tener Award, page 39). He also notes that Arbitrator Tener concluded that the delay in the implementation of the prior award resulted from the PBA's appeal and was not attributable to the County. This argument, that is, that the turnover did not result from the absence of an automatic step system, although not completely accepted by this arbitrator, is noted. As such, both of these arguments serve to counterbalance the PBA's assertion that the turnover is solely attributable to the lack of a step system. Moreover, although there was significant turnover, there also is a significant degree of stability in this unit. While 57% of the bargaining unit may have five years or less of service, a full 43% has over five years of tenure in their positions and 41% has over ten years.

In summary, while this excessive turnover does argue well for the PBA position under this criteria, on balance, when other possible reasons for this exodus are considered, the conclusion is reached that, while coming close, the PBA did not present a degree of proof substantial enough to prevail in this category.

Having assessed each of the eight criteria and having found them all relevant to the degree noted in the above discussion of the criteria, the following conclusions are reached:

The County has established under the criteria of continuity and stability of employment, interest and welfare of the public, financial impact, overall compensation, cost-of-living, and comparability that awarding of the PBA final offer would be unreasonable while the awarding of

the County's final offer with modifications would be the more reasonable. As noted, the relevance of these criteria, namely, stipulations of the parties' criterion and lawful authority of the Employer criterion is of little impact and had no determinative effect on the decision reached herein.

With regard to the non-economic proposals offered by the County, sufficient convincing argument has been offered by the County with little or no rebuttal from the PBA so as to prove such proposals are reasonable and should be awarded.

With regard to the approximately twelve economic provisions requested by the PBA (Items numbered 2 - 14), they are deemed to be unreasonable and unwarranted for essentially the reasons argued by County counsel in his initial brief. Item 15 is not considered in light of the fact that it was not listed in the formal petition and therefore, pursuant to NJAC 19:16.5.5(a)(1), it cannot be considered.

With respect to the seven non-economic proposals offered by the PBA, the undersigned agrees with County counsel that no reason or justification was offered by the PBA for their acceptance. Moreover, the awarding of many of these provisions would create a disparity between benefits it enjoys versus those the superiors enjoy. In brief, no sufficient reason has been offered to award their adoption.

The economic proposal of the County is deemed the more reasonable of the two final offers and, as *amended*, will be awarded.

To begin with, the County recognizes that a problem exists in regard to low starting salaries and, accordingly, has included within its final offer a 5% annual salary increase to the starting salary for three years (1994, 1995 and 1996) of the contract. Inasmuch as it represents a modest proposal, it is accepted. The PBA's final offer includes a provision to increase each

officer's salary \$1,500.00 every January 1st of each contract year until the respective officer reaches the maximum salary. I recognize this as a provision which will, over time, help eliminate any disparity and help to remedy the problem. However, as previously noted, the cost of such a provision at the increases sought by the PBA at this time is prohibitive as has been acknowledged within this award. The calculations supplied by the parties have been adjusted to reflect an annual increase on January 1st of \$300.00 for each contract year until each respective officer reaches the maximum salary for that year. The outcome of these figures seems reasonable and appropriate under all of the pertinent statutory criteria. This modification of the Employer's offer is limited to the years of this contract alone. This provision shall terminate at the end of this contract and language to this effect will be contained within the contract to serve as notice to all parties that it was awarded for these specific five years only with no intention that it should continue beyond this contract. For calculation purposes, it shall be added after the 5% increase is factored on January 1st of each year, but the succeeding 5% increase in the following year shall be based on that actual base, e.g. 1993 salary x 5% + \$300 = final salary upon which 5% shall be calculated the following January 1st.

The fact must be noted that this is not intended to break the County's pattern of settlements, and it should not be relied on as such by any party in negotiations or arbitration. This additional payment is intended in the spirit of the County's own 5% increase in starting salary as a remedy to the **problem** which is unique to this unit

Therefore, for all of the reasons stated herein and having rendered this decision after careful review and analysis of the final offers under the statutory criteria, it is concluded that the following award be implemented:

A W A R D

A. Economic Package

1. Duration - January 1, 1994 to December 31, 1998.
2. Salaries - Annual base salaries, with the exception of the starting salary, shall increase as follows:

5% effective January 1, 1994
5% effective January 1, 1995
5% effective January 1, 1996
5% effective January 1, 1997
5% effective January 1, 1998

Each officer's salary shall be increased by \$300.00 on January 1st for the contract years 1994, 1995, 1996, 1997 and 1998 only, until each respective officer reaches the maximum salary for that year.

3. Starting Salaries - The starting salary of \$17,954.00 shall increase as follows:

January 1, 1994: \$18,851.00
January 1, 1995: \$19,794.00
January 1, 1996: \$20,784.00

The starting salary of \$20,784.00 effective January 1, 1996 shall remain the same for the remainder of the contract. Employees hired on or after January, 1996 shall remain at the starting rate for their first twelve months of their employment. At the completion of twelve months of employment, the officer will receive a 5% increase. Thereafter, the officer will receive the negotiated increase.

4. Dental Plan - The Employer will implement an employee-funded dental insurance upgrade option. Such upgrade will be at no expense to the Employer. The Employer will exert its best efforts to assure that employee payments of the dental upgrade are treated as pre-tax income.

5. Retroactive Effect - The economic benefits of this Award shall apply only to those employees on the payroll as of the effective date of this Award, as well as to those who resigned

in good standing, retired or were on medical leave of absence from January 1, 1994 to the effective date of this Award. Persons who were terminated for cause or who resigned not in good standing between January 1, 1994 and the effective date of this Award shall not be entitled to benefits hereunder. The parties agree that in any future collective negotiations agreement they may conclude, through interest arbitration or otherwise, any employee who voluntarily resigns from employment with the Employer prior to conclusion of the agreement, regardless whether such resignation is or is not in good standing, shall be excluded from any retroactive benefits.

B. Non-Economic Proposals

1. Article II - Salaries - last paragraph. This paragraph should be deleted in its entirety and replaced with the following. "Salaries shall be paid bi-weekly on a two week lagging basis, with the employee's paycheck to be issued two weeks after the closing date of the pay period."
2. Article III - Clothing Allowance - Sections A & B should be consolidated to provide that a clothing allowance of \$500.00 per annum shall be payable to employees covered by this Agreement. Payment of the clothing allowance shall be made at the end of the first pay period in January in the amount of \$250.00 and the balance of \$250.00 at the end of the first pay period in June. Subsection C should be renumbered to reflect that it is now subsection B.
3. Article IX - Grievance and Arbitration Procedure - Step Two - Amend to read "...with a copy to the PBA within five (5) working days of submission..

Step Four: Amend second paragraph to read as follows: "If the grievance is not settled at Step Three, then the PBA shall have the right to notify the County Personnel Director within (5) working days of its election to submit such grievance to an Arbitrator. An impartial Arbitrator shall then be selected by agreement through the established procedures of PERC. The Arbitrator shall have full power to hear the dispute and make a final determination, which shall be binding on both parties and the grievant. The Arbitrator does not have the right to add to, subtract from or modify this Agreement in any manner. Each party shall bear its own costs of the arbitration, except that the Arbitrator's fee shall be borne by the parties equally."

4. Article IX, Section F - Management Rights - amend to be a separate article in the form set forth below. Sections G and H should be numbered.

New Article - Management Rights

A. The County, the Sheriff and the PBA agree that the provisions of this Agreement are limited to the terms and conditions and employment of the employees covered, and that no provision of this Agreement shall be construed or interpreted to restrain the

full and absolute right of the County and Sheriff to operate, control and manage their operations and to determine the manner and means of providing services to the public except as expressly provided elsewhere in this Agreement.

B. Without limitation of the foregoing, the following subjects are within the managerial rights of the County and Sheriff and shall not at any time be subject to negotiation or review under the grievance and arbitration procedure contained in this Agreement:

1. The right to determine the executive management and administrative control of the Sheriff's Office and its properties and facilities and the work activities of its employees.

2. The right to determine the size of the work force.

3. The right to promote, transfer, demote, reassign and lay off employees, subject to Department of Personnel rules and regulations.

4. The right to determine work standards; to determine, establish, modify and eliminate means and methods of operations; to implement improvements or changes in technology; to utilize new equipment; and, to control the quality of services.

5. The right to determine when and whether to fill job vacancies.

6. The right to evaluate jobs, and to establish new assignments, modify or combine existing assignments, and to reassign duties from assignment to assignment, regardless whether such assignments are within or without the PBA Collective Negotiations unit to the extent consistent with Department of Personnel job description for the affected positions consistent with the Sheriff Officers series.

7. The right to select and hire employees in accordance with Civil Service Law.

8. The right to take disciplinary and discharge action against employees, subject to the provisions of Article X.

9. The right to evaluate the work performance of employees at such time and in such manner as deemed appropriate by the Sheriff and/or County.

C. The Sheriff shall have the right to implement reasonable work rules not inconsistent with the terms of this Agreement."

5. Article X - Employee Rights - Second Paragraph delete the phrase "or denied any advantage".

Third paragraph - add at the end of the Paragraph the following: "to the extent permitted by law."

6. Article XII - Vacations - delete section A, renumber section B accordingly..

7. Article XIII - Health Benefits and Insurance - Section F - revise to reflect that employees cannot change their medical coverage immediately prior to retirement under State Health Benefit Plan rules and regulations.

Article XIII - Section G - delete in its entirety.

8. Article XIV - Funeral Leave - delete section in its entirety. Replace with:

A. Employees shall be entitled to up to 3 days paid leave for each death in the employee's immediate family, to be taken between the date of death and the date of the funeral, inclusive for the sole purpose of attending funeral and/or memorial service.

B. An Employee's immediate family shall consist of the following: mother, father, son, daughter, sister, wife, grandchildren, mother-in-law, brother, husband, father-in-law, sister-in-law, brother-in-law and grandparents.

C. The County shall have the discretion to grant or extend funeral leave, with or without pay, in cases involving special circumstances, and shall have the further discretion to adopt rules pertaining to verification of funeral leave, use and abuse of funeral leave.

9. Article XV - Maternity Leave - should be renamed Child Birth Leave or Family Leave - and should provide that Family Leave shall be provided in accordance with federal and state laws.

10. Article XVII - Dues Check Off - Should be deleted and replaced with:

A. Upon receipt of a written authorization from an Employee who has completed thirty (30) days of employment, the Employer shall, pursuant to such authorization, deduct from the wages due said Employee, and remit to the PBA, regular monthly dues, together with a list of all Employees from whom dues have not been deducted. The PBA shall advise the County of the amount of said dues.

B. 1. The Employer shall be relieved from making such "check off" deductions upon (a) termination of employment; (b) transfer to a job other than one covered by the bargaining unit; (c) layoff from work; (d) an agreed leave of absence; or (e) revocation of the check-off authorization in accordance with its terms or with applicable law. Upon the return of an Employee to work from any of the absences enumerated in (b), (c), and (d), above, the Employer will

immediately resume the obligation of said deductions. Terminated Employees who subsequently are rehired shall be treated as new hires for dues deduction purposes.

2. When an Employee transfers from one department or location, but remains in the same certified bargaining unit, he/she shall continue to be covered by the same dues check-off authorization of the PBA and not be required to sign another authorization card.

C. The Employer shall not be obliged to make dues or deductions of any kind from any employee who, during any dues month involved, shall have failed to receive sufficient wages to equal the dues deduction.

D. It is specifically agreed that the County and Sheriff assume no obligation, financial or otherwise, arising out of the provisions of this Article, and the PBA hereby agrees that it will indemnify and hold the County and Sheriff harmless from any claims, actions or proceedings by an Employee arising from dues deductions by the County and/or Sheriff hereunder. Once the funds are remitted to the PBA, their disposition thereafter shall be the sole and exclusive obligation and responsibility of the PBA.

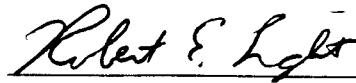
E. The employer agrees to furnish the PBA, each month, with names of newly-hired Employees, their addresses, social security numbers, work classification, dates of hire and the names of terminated Employees, together with their dates of termination, and names of Employees on leave of absence.

11. Article XXII - Legal Representation - Delete article in its entirety, replace with:

Upon receipt of a summons and complaint arising out of and directly related to the lawful exercise of an officer's powers in furtherance of his or her official duties, the officer shall deliver the summons and complaint to the Sheriff within three days of receipt of same. The Sheriff shall forward same to the County Law Department, which shall advise the officer, in writing, of one of the following:

1. The County Law Department shall defend the officer.
2. The County Law Department shall appoint counsel to defend the officer, at no expense to the officer.
3. The County Law Department will advise the officer that he or she may retain private counsel of his or her own choosing, subject to the County's fee schedule, which must be agreed to in advance by the attorney selected by the Officer.
4. If the County determines that it has no legal obligation to defend the officer, the County shall notify the officer of such determination, along with a written statement of

the reasons for the determination that the County has no obligation under applicable law to provide a defense.



ROBERT E. LIGHT, Interest Arbitrator

Dated: January 24, 1997

STATE OF NEW JERSEY:

:SS

COUNTY OF MIDDLESEX:

On this 24th day of January, 1997 before me personally came and appeared ROBERT E. LIGHT to be known to me to be the individual described here and who executed the foregoing instrument and he duly acknowledged to me that he executed the same.



ELLEN ORLANDINI

Notary Public of New Jersey

FINAL OFFERS

The final offers of the parties are set forth below:

COUNTY OF HUDSON/HUDSON COUNTY SHERIFF

A. ECONOMIC PACKAGE

1. Duration -- January 1, 1994 to December 31, 1998.
2. Salaries -- Annual base salaries, with the exception of the starting salary, shall increase as follows:

5% effective January 1, 1994
5% effective January 1, 1995
5% effective January 1, 1996
5% effective January 1, 1997
5% effective January 1, 1998

3. Starting Salaries -- The starting salary of \$17,954 shall increase as follows:

January 1, 1994: \$18,851
January 1, 1995: \$19,794
January 1, 1996: \$20,784

The starting salary of \$20,784 effective January 1, 1996 shall remain the same for the remainder of the contract. Employees hired on or after January, 1996 shall remain at the starting rate for their first twelve months of their employment. At the completion of twelve months of employment, the officer will receive a 5% increase. Thereafter, the officer will receive the negotiated increase.

4. Dental Plan -- The Employer will implement an employee-funded dental insurance upgrade option. Such upgrade will be at no expense to the Employer. The Employer will exert its best efforts to assure that employee payments of the dental upgrade are treated as pre-tax income.

5. Retroactive Effect -- The economic benefits of this Award shall apply only to those employees on the payroll as of the effective date of this Award, as well as to those who resigned in good standing, retired or were on medical leave of absence from January 1, 1994 to the effective date of this Award. Persons who were terminated for cause or who resigned not in good standing between January 1, 1994 and the effective date of this Award shall not be entitled to benefits hereunder. The parties agree that in any future collective negotiations agreement they may conclude, through interest arbitration or otherwise, any employee who

voluntarily resigns from employment with the Employer prior to conclusion of the agreement, regardless whether such resignation is or is not in good standing, shall be excluded from any retroactive benefits.

B. NON-ECONOMIC PROPOSALS

1. Article II - Salaries - last paragraph. This paragraph should be deleted in its entirety and replaced with the following. "Salaries shall be paid bi-weekly on a two week lagging basis, with the employee's paycheck to be issued two weeks after the closing date of the pay period."
2. Article III - Clothing Allowance - Sections A & B should be consolidated to provide that a clothing allowance of \$500.00 per annum shall be payable to employees covered by this Agreement. Payment of the clothing allowance shall be made at the end of the first pay period in January in the amount of \$250.00 and the balance of \$250.00 at the end of the first pay period in June. Subsection C should be renumbered to reflect that it is now subsection B.
3. Article IX - Grievance and Arbitration Procedure - Step Two - Amend to read "... with a copy to the P.B.A. within five (5) working days of submission."

Step Four: Amend second paragraph to read as follows: "If the grievance is not settled at Step Three, then the P.B.A. shall have the right to notify the County Personnel Director within five (5) working days of its election to submit such grievance to an Arbitrator. An impartial Arbitrator shall then be selected by agreement through the established procedures of PERC. The Arbitrator shall have full power to hear the dispute and make a final determination, which shall be binding on both parties and the grievant. The Arbitrator does not have the right to add to, subtract from or modify this Agreement in any manner. Each party shall bear its own costs of the arbitration, except that the Arbitrator's fee shall be borne by the parties equally."

4. Article IX, Section F - Management Rights - amend to be a separate article in the form set forth below. Sections G and H should be renumbered.

New Article - Management Rights

A. The County, the Sheriff and the P.B.A. agree that the provisions of this Agreement are limited to the terms and conditions of employment of the employees covered, and that no provision of this Agreement shall be construed or interpreted to restrain the full and absolute right of the County and Sheriff to operate, control and manage their operations and to determine the manner and

means of providing services to the public except as expressly provided elsewhere in this Agreement.

B. Without limitation of the foregoing, the following subjects are within the managerial rights of the County and Sheriff and shall not at any time be subject to negotiation or review under the grievance and arbitration procedure contained in this Agreement:

1. The right to determine the executive management and administrative control of the Sheriff's Office and its properties and facilities and the work activities of its employees.

2. The right to determine the size of the work force.

3. The right to promote, transfer, demote, reassign and layoff employees, subject to Department of Personnel rules and regulations.

4. The right to determine work standards; to determine, establish, modify and eliminate means and methods of operations; to implement improvements or changes in technology; to utilize new equipment; and, to control the quality of services.

5. The right to determine when and whether to fill job vacancies.

6. The right to evaluate jobs, and to establish new assignments, modify or combine existing assignments, and to reassign duties from assignment to assignment, regardless whether such assignments are within or without the P.B.A. Collective Negotiations unit to the extent consistent with Department of Personnel job description for the affected positions consistent with the Sheriff Officers series.

7. The right to select and hire employees in accordance with Civil Service Law.

8. The right to take disciplinary and discharge action against employees, subject to the provisions of Article X.

9. The right to evaluate the work performance of employees at such time and in such manner as deemed appropriate by the Sheriff and/or County.

C. The Sheriff shall have the right to implement reasonable work rules not inconsistent with the terms of this Agreement."

5. Article X - Employee Rights - Second Paragraph delete the phrase "or denied any advantage".

Third Paragraph - add at the end of the Paragraph the following: "to the extent permitted by law."

6. Article XII - Vacations - delete section A, renumber section B accordingly.

7. Article XIII - Health Benefits and Insurance - Section F - revise to reflect that employees cannot change their medical coverage immediately prior to retirement under State Health Benefit Plan rules and regulations.

Article XIII - Section G - delete in its entirety.

8. Article XIV - Funeral Leave - delete section in its entirety. Replace with:

A. Employees shall be entitled to up to 3 days paid leave for each death in the employee's immediate family, to be taken between the date of death and the date of the funeral, inclusive for the sole purpose of attending funeral and/or memorial service.

B. An Employee's immediate family shall consist of the following: mother, father, son, daughter, sister, wife, grandchildren, mother-in-law, brother, husband, father-in-law, sister-in-law, brother-in-law and grandparents.

C. The County shall have the discretion to grant or extend funeral leave, with or without pay, in cases involving special circumstances, and shall have the further discretion to adopt rules pertaining to verification of funeral leave, use and abuse of funeral leave.

9. Article XV - Maternity Leave - should be renamed Child Birth Leave or Family Leave - and should provide that Family Leave shall be provided in accordance with federal and state laws.

10. Article XVIII - Dues Check Off - Should be deleted and replaced with:

A. Upon receipt of a written authorization from an Employee who has completed thirty (30) days of employment, the Employer shall pursuant to such authorization, deduct from the wages due said Employee, and remit to the P.B.A., regular monthly dues, together with a list of all Employees from whom dues have not been deducted. The P.B.A. shall advise the County of the amount of said dues.

B. 1. The Employer shall be relieved from making such "check off" deductions upon (a) termination of employment; (b) transfer to a job other than one covered by the bargaining unit; (c) layoff from work; (d) an agreed leave of absence; or (e) revocation of the check-off authorization in accordance with its terms or with applicable law. Upon the return of an Employee to work from any of the absences enumerated in (b), (c), and (d), above, the Employer will immediately resume the obligation of said deductions. Terminated Employees who subsequently are rehired shall be treated as new hires for dues deduction purposes.

2. When an Employee transfers from one department or location, but remains in the same certified bargaining unit, he/she shall continue to be covered by the same dues check-off authorization of the P.B.A. and not be required to sign another authorization card.

C. The Employer shall not be obliged to make dues or deductions of any kind from any employee who, during any dues month involved, shall have failed to receive sufficient wages to equal the dues deduction.

D. It is specifically agreed that the County and Sheriff assume no obligation, financial or otherwise, arising out of the provisions of this Article, and the P.B.A. hereby agrees that it will indemnify and hold the County and Sheriff harmless from any claims, actions or proceedings by an Employee arising from dues deductions by the County and/or Sheriff hereunder. Once the funds are remitted to the P.B.A., their disposition thereafter shall be the sole and exclusive obligation and responsibility of the P.B.A.

E. The employer agrees to furnish the P.B.A., each month, with names of newly-hired Employees, their addresses, social security numbers, work classification, dates of hire and the names of terminated Employees, together with their dates of termination, and names of Employees on leave of absence.

11. **Article XXII - Legal Representation** - Delete article in its entirety, replace with:

Upon receipt of a summons and complaint arising out of and directly related to the lawful exercise of an officer's powers in furtherance of his or her official duties, the officer shall deliver the summons and complaint to the Sheriff within three days of receipt of same. The Sheriff shall forward same to the County Law Department, which shall advise the officer, in writing, of one of the following:

1. The County Law Department shall defend the officer.

2. The County Law Department shall appoint counsel to defend the officer, at no expense to the officer.

3. The County Law Department will advise the officer that he or she may retain private counsel of his or her own choosing, subject to the County's fee schedule, which must be agreed to in advance by the attorney selected by the Officer.

4. If the County determines that it has no legal obligation to defend the officer, the County shall notify the officer of such determination, along with a written statement of the reasons for the determination that the County has no obligation under applicable law to provide a defense.

P.B.A. LOCAL 334

A. ECONOMIC PACKAGE

1. Duration -- January 1, 1994 to December 31, 1998.

2. Salaries -- Each officer's salary shall be increased by **\$1,500** on January first of each contract year until each respective officer reaches the maximum salary for that year; the maximum salary for 1993 being \$35,907.

In addition to those annual increases, annual base salary shall increase as follows:

5% effective January 1, 1994

5% effective January 1, 1995

5% effective January 1, 1996.

5% effective January 1, 1997

5% effective January 1, 1998

3. Attendance Bonus -- (New Provision) Employees who regularly work 35 or more hours per week and who are absent five days or less in a full calendar year due to sickness, absenteeism, suspension or unpaid leave-of-absence (except military leave), shall be paid \$100 (less taxes) on the last regular pay day in December.

4. Holiday Pay -- Holiday work will be compensated at double time and one half rate.

5. Retirement (Terminal) Leave -- Increase cap from \$3,000 to \$5,000:

A. Effective October 1, 1998, a retirement leave program shall be instituted by the County. The retirement leave pay shall be calculated at the rate of two days' pay for each three (3) days of unused accumulated sick leave. The maximum that may be paid to any one employee on retirement shall not exceed \$5,000.

B. Payment shall be made to the employee's spouse or estate where the employee works past the normal date of retirement and dies prior to retirement.

6. Special Training Certifications Bonus -- (New Provision) Sheriff's officers who perform additional duties based upon additional training, certification, and license should be given an additional \$500.00 (five hundred dollars U.S.) bonus to be paid each year.

Example	EMT. \$500.00 bonus each year
	CDL \$500.00 bonus each year
	Training Instructors \$500.00 each year

Licensed or certified CDL with job assignment with transportation to operate a commercial motor vehicle in the transportation unit.

One category per officer.

B.C.I. with special certification.

7. Education Incentive -- (New Provision) Employees shall receive additional annual compensation upon completion of college courses, provided the employee receives the prior written approval of the Sheriff which approval shall not be unreasonably withheld. The compensation schedule shall be \$10.00 per credit earned toward a degree up to the following maximum:

A.A. Degree	\$ 750.00
B.A. Degree	\$1,500.00
M.A. Degree	\$2,000.00

The Employer shall provide for the Union on January 1 of each year a fund of one thousand two hundred dollars (\$1,200) for use but not limited to attendance and incidental expenses at seminars, schools and gatherings of police officers. Monies shall be paid from the fund upon the submission of vouchers and approval of the Board of Commissioners as prescribed by law.

Each employee is entitled to receive credit for all college courses taken which lead to an Associate, Bachelor or Masters Degree in a police-related field. The Employer agrees to pay two dollars (\$2.00) per year for each such credit earned. Such payment is to be made on the first pay day in September. [The County and Sheriff presume that this proposal would entitle an employee to \$12.00 per credit for each credit approved by the Sheriff; earned

toward an Associate, Bachelors, or Masters degree; and which course is "in a police-related field" reading this paragraph and the first paragraph together.]

There shall be established a committee comprised of two (2) members selected by the Employer and two (2) members selected by the Employee organization. The purpose of this committee shall be to determine whether credits achieved by an employee shall be deemed job-related and compensable under this Article. This shall apply toward credits obtained subsequent to the execution of this Agreement. Any dispute or difference not resolved by the Committee shall be subject to the Grievance Procedure.

8. Eyeglass and Vision Plan -- (New Provision) Employees shall receive from the County a refund of up to \$100.00 (one hundred dollars U.S.) per year towards the cost of an eye examination and/or purchase of eyeglasses/contact lens upon presentation of a duly authorized receipt to the Employer.

9. Dental Plan -- Improve dental plan in the same form as is currently available to other Hudson County employees. For example, the Sheriff's SOA presently has an improved plan which is effective since July 12, 1995.

10. Clothing Allowance -- Increase clothing allowance by \$50.00, from \$500.00 to \$550.00, payable as follows:

A. Effective January 1, 1994, a clothing allowance of \$550.00 per annum shall be payable to the employees covered by this agreement.

B. Effective January 1, 1994, the payment of the clothing allowance shall be made at the end of the first pay period in January in the amount of \$275.00 and the balance of \$275.00 at the end of the first pay period in June.

C. Each officer shall maintain his or her uniform in suitable condition.

[All but the underlined text is identical to the current agreement.]

11. Sick Leave -- (New Provision) Members who have completed one (1) full year of service and who are unable to perform their duties by reason of personal illness, injury or exposure to contagious disease are entitled to up to 365 continuous calendar days off for each occurrence.

Members covered under this agreement will be paid their regular straight time rate of pay for a period not in excess of fifty-two (52) weeks for each new and separate service-connected sickness, injury or disability, commencing on the first day of any such service connected injury or disability. Temporary disability benefits paid by worker's compensation insurance to the member will be paid over to the County.

When such sickness, injury or disability leave is granted, the member shall not be charged with any sick leave time for such time lost due to such sickness, injury or disability.

12. Work Hours -- Maintain eight (8) hour work day, but increase paid lunch period from 1/2 hour to one (1) hour, which lunch period shall be inclusive of the eight (8) hour day.

13. Personal Property Damage -- (New Provision) A Sheriff's Officer shall be compensated for the replacement cost of a personal item or items lost or damaged beyond repair or for the cost to repair a damaged personal item or items, provided the loss or damage is not caused by the officer negligence and is incurred while he is on duty or conducting police business.

14. Personal Days -- Double the number of personal days available each year. All Employees will have four (4) personal days to be used for any purpose whatsoever. Personal holidays may be taken on separate days or consecutively; however, the employee should, whenever possible, give the Employer one (1) day notice for each personal holiday to be taken. Severance pay shall be calculated considering personal holidays on the basis of one (1) accrued personal holiday per third month of employment completed in the year said employment is terminated. Personal holidays may not be accumulated annually.

15. Ammunition -- (New Provision) County to supply any or all ammunition as needed for range qualification (Sheriffs Officers)) twice a year. NOTE: Any weapon authorized by the department.

[It should be noted that although the County identifies this proposal as economic in nature, ammunition nor payment for same were ever identified by either party as issues to be arbitrated in this interest arbitration. Pursuant to the Rules governing compulsory interest arbitration, and for those reasons set forth at _____, infra, this issue may not be considered or ruled upon by this Arbitration.]

B. NON-ECONOMIC PROPOSALS

1. Safety and Personal Well-Being -- (New Provision) A committee comprised of 2 P.B.A. members, designee(s) of the employee [sic] and a medical doctor designated by the Employer shall be formed to discuss any unusual medical problems, including but not limited to, AIDS, infectious diseases and the like.

Upon notice from any one of the foregoing members of the committee, the Employer shall convene the committee within 24 hours of said notice to discuss any matter of concern within the context of this Article.

Employer agrees to convene a meeting to discuss any work condition on [sic] safety hazard such as per above.

2. Overtime Distribution -- Establishment of an even and regular procedure for distribution of overtime. Overtime to be made available on a rotating basis with a list initially structured in alphabetical order. Management has the right to override the overtime list in demonstrated special need circumstances or where special skills are required consistent with law.

3. Agency Shop -- The P.B.A. proposes an Agency Shop Clause be added to the contract consistent with the provisions of State Law. The employee organization will maintain a demand and return system consistent with law.

4. Lockers -- (New Provision) The County shall provide clean and upgraded locker rooms and suitable lockers for the storage and use and maintenance of personal property and work related equipment for all officers.

The County shall provide and maintain working and hygienic shower facilities.

Separate facilities shall be provided for male and female officers for the exclusive use of sworn officers.

5. Seniority -- Seniority is defined as an employee's total length of service within rank, beginning with his appointment date as a sheriff's officer.

Seniority for all purposes is defined in accordance with Civil Service Rules and Law.

The Employer shall maintain an accurate, up-to-date seniority list showing each employee's date of hire, classification and pay rate and shall furnish copies of same to the Association upon request.

The employer will promptly advise the appropriate Association representative of any changes which necessitate amendments to seniority list.

6. Off Duty Work -- (New Provision) The Sheriff should allow off duty work to Sheriffs Officers, in department uniform or civilian clothes if required.

7. Bullet Resistant/Proof Vests -- (New Provision) The Employer will provide one half the cost up to \$250.00 (two hundred and fifty dollars U.S.) per officer towards the purchase of an approved bullet resistant/proof vest on a voluntary basis. Upon presentation of a duly authorized receipt to the Employer. One Purchase per officer every five years.

