

State of New Jersey
Public Employment Relations Commission

In the Matter of the Compulsory	:	
Interest Arbitration	:	
-between-	:	Opinion and Award
Borough of Cliffside Park	:	
-and-	:	
P.B.A. Local 96	:	
Docket No. IA-96-138	:	
	:	

BEFORE: CARL KURTZMAN, ARBITRATOR

APPEARANCES: For P.B.A. Local 96

Loccke & Correia

By: Richard D. Loccke, Esq.

For Borough of Cliffside Park

Diktas Gillen

By: Christos J. Diktas

Pursuant to a petition to initiate Compulsory Interest Arbitration, filed by PBA Local 96 (PBA) on April 16, 1996, the undersigned was appointed by the Public Employment Relations Commission on June 14, 1996 pursuant to P.L. 1995, c. 425, to hear and decide the contract issues in dispute.

On July 16, 1996 and September 5, 1996, mediation sessions were conducted in the offices of the Borough of Cliffside Park (Boro or Employer) in Cliffside Park, New Jersey. Since minimal progress was made during the mediation sessions, an interest arbitration hearing was scheduled.

Interest Arbitration hearings were conducted on November 15, 1996 and March 12, 1997. A stenographic record of the proceedings was taken and the arbitrator was provided with a copy of the transcript of the proceedings. At the first session, on November 15, 1996, the parties were asked to place their initial positions on the record. In addition to the duration of the contract and the amount of the wage increase, the Boro sought to include the following issues:

Clarification on the "F" days, "O" days, and any other special days.

Definition of private practice, with a definitive list.

Cap on longevity.

Clarification of the vacation box.

At the session on November 15, 1996, PBA objected to the introduction of the additional issues submitted by the Employer claiming that they constituted a procedurally defective late filing. The parties were advised that this issue had previously been raised in a Middlesex County/PBA interest arbitration proceeding and the Public Employment Relations Commission (PERC) was scheduled to issue its decision on Nov. 19, 1996. The Borough indicated that it was maintaining its position but would review its position based upon the PERC decision on November 19, 1996. PERC was asked to review an interim award, issued by the undersigned, which found that Middlesex County had failed to respond to the PBA petition within the time denoted in N.J.A.C. 19:16-5.5 and had not requested an extension of time to file its response. Accordingly, in the interim award, the undersigned limited the arbitration to those issues contained in the PBA's petition because, in accordance with N.J.A.C. 19:16-5.5 (b), the County was deemed to have agreed to the request for the initiation of interest arbitration as submitted by

the PBA. On Nov. 19, 1996, the Commission issued a decision in which it found that Middlesex County had not demonstrated why the requirements of N.J.A.C. 19:16-5.5 should be relaxed. The Commission declined to grant leave to appeal. Accordingly, the issues in the Middlesex County proceeding were limited to the issues contained in the PBA petition. Prior to the start of the second day of hearing, Borough Counsel acknowledged receipt of the PERC decision. When the Borough presented its case, it limited its presentation to a rebuttal of the PBA proposals and the submission of testimony and documentation in support of its proposal on the term of the contract and the amount of the salary increase.

After the conclusion of the evidentiary hearings, the parties were provided with an opportunity to file briefs and reply briefs. After the grant of an extension, the final reply brief was received by the undersigned on August 18, 1997. Prior to the filing of reply briefs, the parties agreed to the arbitrator's request for an extension, to August 31, 1997, for the filing of the award in this matter. However, since the record has been held open pending the filing of reply briefs, the time for filing the award in this matter will run from the date of receipt of the reply brief, on August 18, 1997.

The Public Employment Relations Commission has advised that these arbitration proceedings shall be conducted in accordance with the provisions of P.L. 1995, c. 425. Accordingly, since the parties in this proceeding have not agreed to a terminal procedure for resolving the contract issues in dispute, the award issued in this matter will be based on the conventional arbitration mode.

FINAL OFFERS

Borough of Cliffside Park

Economic:

1. Duration: Jan. 1, 1996 - Dec. 31, 1997.
2. Salary: Zero Increase for 1996 and Zero Increase for 1997

P.B.A. Local 156

Economic:

1. Duration: Jan. 1, 1996 - December 31, 1999.

2. Salary:

1/1/96: 6.0%

1/1/97: 6.0%

1/1/98: 6.0%

1/1/99: 6.0%

The increase is intended to be effective at each step and position on the salary guide with a reduction of one year off the salary guide for patrolmen. Patrolmen would therefore reach maximum with six (6) years of service, at the commencement of the seventh (7th) year.

3. Clothing Allowance - Increase the clothing allowance by \$200 in the annual allocation.

4. Personal Days - Two (2) annual personal days. There are no personal days at present.

5. Educational Incentive - Modify Article VI to delete the words "at the discretion of the chief". A person therefore would have an entitlement to access to the educational incentive program.

Non-Economic: None

STATUTORY CRITERIA

The eight statutory criteria set forth in N.J.S.A. 34-13A-16G which will guide the disposition of this matter are as follows:

- 1. The interests and welfare of the public; considering, inter alia, the limitations imposed upon the employer by the CAP Law, N.J.S.A. 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**
 - b. In public employment in general.**
 - c. In public employment in the same or similar comparable jurisdictions, as determined in accordance with N.J.S.A. 34:13A-16.2.**
- 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; considering, inter alia, the limitations imposed upon the employer by the CAP Law. N.J.S.A. 40A:4-45.1 et seq.**
- 6. The financial impact on the County, its residents and taxpayers. The arbitrator shall take into account, to the extent that evidence is introduced, how the award will affect the municipal purposes element**

of the local property tax; a comparison of the percentage of the municipal purposes element required to fund the employees' contract in the preceding local budget year; the impact of the award for each income sector of the property taxpayers of the local unit; the impact of the award on the ability of the municipality to(a) maintain existing local programs and services, (b) expand existing local programs and services for which public moneys have been designated by the municipality in a proposed local budget, or (c) initiate any new programs and services for which public moneys have been designated by the municipality in its proposed 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.

Positions of the Parties

Borough of Cliffside Park

Initially, the Boro notes that the statutory revisions incorporated in the Police and Fire Interest Arbitration Reform were intended to require interest arbitrators to consider each of the eight statutory criteria instead of focusing primarily on one factor, comparability. The Boro maintains that it has provided comprehensive evidence with which the arbitrator may develop a reasonable award which is consistent with the statutory criteria whereas PBA has relied almost exclusively on documentary evidence which is

insufficient to prove the statutory factors.

The interests and welfare of the public

The Boro maintains that the public's interest is served best by the selection of its final offer because it guarantees the maintenance of an adequate Boro police service at a reasonable cost to the public while keeping tax rates and municipal budgets at a reasonable level and not sacrificing other governmental services. The Boro claims that PBA unit members already receive a fair economic package which should not be ratcheted higher by the "leapfrog" approach taken by PBA which seeks to improve the conditions of PBA members without adequate regard for the financial impact on the local residents and taxpayers. The Boro agrees that the public interest favors fair compensation for its employees but, once that level is reached, the public interest requires that additional increases should not be granted which will, of necessity, impact on the Boro's other fiscal decisions.

The Boro notes that, over the past twelve years, the borough's police officers have received annual wage increases which have been almost double the Consumer Price Index (81.10% versus 46.01%). Accordingly, the Boro believes these unit employees can endure a two year salary freeze which will allow the Boro to contend with the \$9,534,008 cumulative loss in State Aid over the last four years, representing over 75 tax points and the seven tax points lost due to real estate reassessments. Because of these losses, the Boro would have to either reduce essential government services or increase the general property tax rate to fund an implementation of the PBA proposal.

The Boro points out that there is no evidence that a two year wage

freeze will impact negatively on police services to the public, but there is ample evidence that implementation of the PBA proposal will have a significant impact on the Borough's finances. Accordingly, the Boro maintains that the public interest and welfare are better served by the acceptance of the Boro offer.

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

The Boro suggests that, in accordance with the criteria set forth in N.J.A.C. 19:16-5.4 c, the appropriate comparable agreements for consideration in this matter are the agreements covering police officers in the seven other municipalities which make up the southeastern quadrant of Bergen County, the Cliffside Park Board of Education agreement with its teachers and the salary ordinance covering non-unionized municipal employees. The Boro maintains that the agreements offered by PBA have no evident relationship to the statutory criteria and should be rejected, except for the Cliffside Park Board of Education-teachers' contract. The Boro notes that all but three of the PBA's contracts either predate the changes in the statute or were produced outside the the Act's provisions.

The Boro maintains that comparability should be limited to other Borough employees and police officers in the southeastern quadrant of Bergen County and the Boro believes the former is more instructive than the latter. The Boro notes that all Cliffside Park employees other than teachers and police received zero increases in 1995, 1996 and 1997. In addition, the Boro notes that the wage increases negotiated with the Board of Education

are closer to the Board's proposal than the PBA proposal, especially when the police longevity schedule is factored into the comparison.

The Boro claims that the generous longevity program in Cliffside Park ranks number one among the Southeastern Bergen County municipalities and the compound effect of wage increases must be considered because longevity is calculated based on wages and thirty six of thirty eight police officers will receive a longevity stipend in 1998 and 1999. In addition, the Boro shows a differential ranging from 2.5% to 9% above its neighboring southeastern Bergen County police officers. The Boro maintains that, in the light of a much richer longevity schedule in Cliffside Park, the Boro proposal of a zero percent increase is comparatively reasonable.

The overall compensation presently received by the employees

The Boro cites the documentation of its financial expert showing that the unit employees will receive an increase in overall compensation under the Borough's proposal without a wage increase because of the increase in the cost of providing generous fringe benefits. The Boro points out that PBA has offered no evidence to support an award which would eliminate management discretion with regard to obtaining advanced education at municipal expense, no evidence to support its request for two personal days nor any evidence to support the need for an increase in the current clothing allowance.

The Boro again insists that the generous Cliffside Park police longevity schedule is a significant element of their overall compensation and the cost of increased longevity payments due to wage increases must be considered in this award.

Stipulations of the Parties

The Boro notes that the parties have agreed to include in the new agreement a provision modeled after the decision in Banca v. Tp. of Phillipsburg and relevant legislation. The Boro suggests that the arbitrator retain jurisdiction to dispose of this issue in the event that the parties are unable to agree on the contractual language.

Lawful Authority of the Employer

The Boro notes that, in 1996, it is operating slightly below its cap level. However, it anticipates the need to increase expenditures due to the escalating cuts in state aid. The Boro believes that unit members must face the reality of municipal budgetary considerations and share the burden imposed by state aid cuts. In addition, although the Boro could increase its CAP rate from 3.5 to 5%, it does not believe this move would be fiscally prudent.

Financial Impact

The Boro points out that, even without a wage increase, the Borough's expenses for employing its police force will increase because of the contract's step system and the increased cost of fringe benefits. The Boro argues that, in the face of cuts in state aid, the need for tax increases in the past, reduced tax income due to lower property values and increased benefit costs, any wage increase will have a negative financial impact upon the taxpayers of the municipality.. The Boro rejects diverting funds from reserves to fund an increase for a group of employees that it believes are already fairly compensated while reducing the municipality's ability to provide for contingent expenses.

Cost of Living

The Boro notes that, under the old arbitration system, wage increases for police officers greatly exceeded the rise in the Consumer Price Index. Since police salaries have been artificially inflated, a wage freeze can be sustained without a detrimental effect on the lives of these employees. The Boro opposes the continuation of the wage increase/CPI ratio as a pattern. Furthermore, the Boro notes that the low CPI increase weighs against the acceptance of the comparatively high wage increase sought by PBA.

The continuity and stability of employment

The Boro cautions that the Borough's ability to continue to maintain a stable police force is dependent on a recognition of the fiscal considerations supporting its proposal in this matter. The Boro points out that it has ordered a privatization study on its EMT service. The Boro is concerned that an award of the PBA proposal may force a reduction in police personnel and services.

The Boro argues that its proposal is reasonable under the statutory criteria and should be adopted by the arbitrator.

PBA

The interests and welfare of the public

PBA argues that the interest and welfare of the public are well served by the high level of activity and varied special services provided by the Cliffside Park police force which has managed these functions with a relatively small number of personnel. PBA maintains that the statistics prove that the Cliffside Park police force is an efficient law enforcement agency providing a high quality of service at a high level of productivity.

PBA asserts that the interest and welfare of the public is best served

by a motivated and properly compensated police force. Conversely, the public's interest is not served by the maintenance of a police force which is the poorest paid in the entire county, in pay and benefit levels. Furthermore, PBA argues that proper compensation is one factor which will enhance work force stability, a factor which is in the public interest. PBA maintains that appropriate compensation leads to motivation and job satisfaction, goals which serve the interest and welfare of the public. PBA claims that the implementation of a harsh, unjustified two year wage freeze does not serve the public interest whereas the reasonable wage increase proposed by PBA is amply supported by the record evidence and statutory criteria and will serve the interest and welfare of the public.

Comparison of the wages, salaries and conditions of employment

PBA compares the salaries of the Cliffside Park police with other towns placed in evidence by PBA and notes that the Cliffside Park police receive the lowest base pay rate of any of the towns included in the survey. ty police. Based on the record evidence, PBA shows that, in 1995, the Cliffside Park police officer had an average base pay , top step, of \$52,945, \$6,767 less than the \$59,712 average of police in all contracts placed in evidence by the PBA, \$51,518. PBA notes that it would take a \$6,767 increase to reach the 1995 average of the jurisdictions surveyed, a 12.8% pay raise. PBA points out that there are no offsetting amounts paid to Cliffside Park police that would make up for their low base pay position. PBA illustrates this point by showing that Cliffside Park police receive only 12 holidays, 11% less than the average of 13.32 days among the towns and agencies included in their survey. PBA also shows that Cliffside Park police receive a \$550 clothing allowance benefit which is 26% (\$142) below the average of the police in the

various communities placed in evidence by the PBA. In addition, PBA shows that the Cliffside Park police receive no annual education benefit whereas the other towns and agencies surveyed have various forms of annual educational benefit. Cliffside Park police receive only a one-time educational reimbursement assistance. PBA points out that, in this proceeding, it is not seeking a better educational incentive benefit but is merely seeking to remove the artificial barrier of discretion in order to improve access to the benefit.

PBA notes that the survey of annual wage increases negotiated or arbitrated in other law enforcement agencies uniformly show increases every year and support an award of the PBA position in this case. PBA provides a chart of annual percentage base increases in 28 towns, based on evidence placed in the record by the PBA. PBA claims that this evidence establishes a prevailing rate of increases in law enforcement of 4.825% in 1996, 4.60% in 1997, 4.493% in 1998 and 4.067% in 1999. PBA points out that the Boro has not offered any evidence to support its position of a two year wage freeze. Based on the 1995 discrepancy between Cliffside Park police and the other surveyed law enforcement groups and the average increases shown over the proposed four year contract period, PBA notes that it would need a 17.625% increase in 1996 alone and a 30.785% increase over the four year term in order to achieve and maintain average pay, far more than the 6% increase sought by PBA in each year of the proposed 4 year agreement. Although PBA does not seek or expect an award in this proceeding which will bring Cliffside Park police to the average by 1999, it believes that the comparisons justify higher than average rate increases for this unit during the term covered by this award.

PBA cites an oft quoted comment by Arbitrator Weinberg in the Ridgewood Arbitration Award, IA-94-141. Arbitrator Weinberg indicated that only slight weight should be given to the standard of comparable private employment because of the lack of specific and obvious comparable occupational categories in the private sector. Arbitrator Weinberg stated that the greatest weight should be allocated to the comparison between the unit employees and other employees performing the same or similar services and with other employees generally in public employment in the same or similar comparable jurisdictions.

Stipulations of the Parties

PBA confirms that the parties have agreed to include in the new agreement a clause regarding the enforcement of police officers' rights, as generally referred to in the case of Banca v. Phillipsburg.

Lawful Authority of the Employer

PBA claims that there aren't any provisions within the cap law that would place any limitation on an award of the PBA position. PBA notes that the Borough did not use the full 5.0% permitted under the law and, instead, stayed within a 3.5% cap. The permissible amount, not utilized, has a value of \$168,314 ($\$11,220,958 \times 1.5\%$), more than enough to fund the 6% increase requested by PBA. In addition, PBA notes that, in 1996, the Borough passed a budget that was within the cap limitation by \$366,297. Accordingly, since the unused monies can be banked, PBA feels it is almost certain that there will be no cap limitation impinging on the employer's lawful authority in 1997. PBA, using 1995 statistics and not accounting for retirements or new hires who are not paid at the maximum rate, projects a base rate of \$2,034,996 and the cost of the 6% increase as \$122,100. Therefore, PBA maintains that

there is sufficient flexibility within the cap and the banked cap funds to accommodate the PBA position.

The Financial Impact on the Governing Unit, its Residents and Taxpayers

PBA maintains that the award of its position will not have an adverse impact on the residents and taxpayers and a minimal effect on total borough finances. PBA claims that the Borough has a low tax rate and a high ratable base. PBA cites the testimony of Borough Auditor Lerch who confirmed that the taxable value in Cliffside Park was \$1,292,425,629.00, second only to Fort Lee among the southeast Bergen communities designated by the Borough as appropriate comparables. PBA notes that the towns in this comparison unit settled for an average in excess of 5% in 1996. PBA also cites the strong and increasing tax collection rates from 1993 to 1995 as an indication of the taxpayers' ability to pay taxes on a current basis. PBA also notes that the municipal portion of the tax rate rose only 6 cents during the three years preceding this proceeding. By comparing the police unit base wage total to the total levy, PBA calculates that the police expenditure is 7% of that amount and only 16% of the town's portion of the tax levy. PBA computes the impact of its proposal as \$14.70 on a \$3500 tax bill.. PBA points out that there is "breakage" from recent personnel changes due to the lower rates of pay given to replacements as compared to the long-term employees that they replace and these monies are enough to fund the PBA position without any impact on the taxpayers. PBA also notes that actual municipal court revenue exceeded anticipated court revenue by \$136,175, enough to fund the PBA proposal in one year. In addition, PBA shows that the Boro is again underestimating municipal court revenue in 1996, thus paving the way for an additional substantial amount of unanticipated revenue.

Citing voting statistics in Cliffside Park in 1995 and 1996, PBA shows that less than 20% of the voters cast a vote on the largest single element in the tax levy, the school budget, and only a small percentage voted against the proposed budget. PBA argues that these facts do not support a claim that citizens are incensed about the tax levy.

PBA cites an increase in surplus of \$650,000 from 1995 to 1996. PBA also cites the practice of the Borough of underestimating the rate of current collections and, thereby, creating future cash flexibility. PBA points out that all towns have tax appeals and Cliffside Park has made ample provision for tax appeals.

Cost of Living

PBA concedes that the rate of cost of living increase is now somewhat less than the PBA position but is much closer to the PBA position than the employer's position. PBA notes that the Cliffside Park PBA has always received increases in excess of the CPI. PBA notes that the Borough financial expert confirmed the existence of a 2.9% deviation between the Consumer Price Index and the average Cliffside Park PBA increases during the preceding 11 years. PBA argues that the employer's documents support an increase of 6.73%, the 3.83 average CPI increase during the last eleven years plus the standard deviation of 2.9%.

Continuity and Stability of Employment

PBA maintains that it has shown that Cliffside Park police officers are paid below the area standard for compensation in the field of law enforcement and the employer's wage proposal is significantly below the going rate of increases in the field of law enforcement. PBA maintains that the Boro position is unsubstantiated by the evidence in the record and would

require the arbitrator to disregard the statutory criteria and establish a new concept of compensation never previously negotiated or awarded by an arbitrator. On the other hand, PBA believes that it has supported its position by full and complete evidence.

Accordingly, PBA requests that the arbitrator rule in favor of the last offer position presented by PBA.

Borough of Cliffside Park Rebuttal

In its rebuttal, the Boro makes the following points:

- 1. The contracts submitted by PBA have not been shown as coming from jurisdictions which are comparable to Cliffside Park under the five factors detailed in N.J.A.C. 19:16-5.14 and, therefore can not form the basis of an award. The Borough's evidence on comparables meets the statutory criteria. The Borough seeks the exclusion of P-33 because it is merely a memo concerning a tentative contract.**
- 2. PBA has submitted no evidence to support its request for a four year term whereas the Borough's request for a two year term would give the parties an opportunity to re-evaluate their positions in light of more current conditions.**
- 3. Although the Clothing Allowance stipend in Cliffside Park falls \$142 below the average of the comparables submitted by PBA, there is no justification offered for an annual increase of \$200 during the four year term proposed by PBA. The Boro notes that "Average Clothing Allowance" in the comparable communities includes clothing maintenance and acquisition of equipment. When maintenance and equipment purchases are removed, the comparable clothing allowance average falls to \$627 and is only \$77 more than the Cliffside Park**

payment. However, when using the Borough's comparables, the average in the seven other jurisdictions is \$607, or \$57 more than in Cliffside Park. The Boro notes that this is offset by the Borough's high and rising rank among the comparable communities in top patrolman salary and longevity and the Borough's mid-level status among its peers for per-capita income. The Boro points out that Ridgefield and Fort Lee, used as comparables by both parties, have a clothing allowance which is only \$50 higher than in Cliffside Park.

4. The Boro notes that PBA has not addressed the request for 2 Personal Days.

5. With regard to the PBA request regarding Access to the Educational Incentive, the Boro shows that 13 of 25 jurisdictions expressly contain the same requirement for approval which PBA seeks to eliminate in Cliffside Park. Among the Borough's comparables, most either include the approval requirement or don't offer the educational benefit. Furthermore, the Boro notes that PBA has not shown that the present contractual requirement has prevented access in the past.

6. With regard to the term of the proposed Agreement, the Boro shows that among the PBA comparables, only three extend to 1999 and nine of thirty six contain a four year term. On the other hand, among the Borough comparables, none extend to 1999 and only one had a four year term which has already expired.

7. Regarding wages, the Boro claims that it is placing police officers in the same position as other municipal employees but points out that police officers received an increase in 1995 while Borough employees did not. The Boro notes that the PBA chart shows a decline in average wage

increases and, therefore, the Borough's request for a wage freeze is not out-of-sync with the current market. The Boro shows that there is a \$3,818 deficit to the average of the salaries in its list of comparable communities but claims that this is offset by the Borough's generous longevity program.

8. The Borough argues that, since its police force is currently performing successfully, it must be adequately compensated. On the other hand, if the police force will not continue its current level of performance due to salary differences, then the PBA devotion to the public interest is questionable.

9. In discussing the "Lawful Authority" criterion, the Borough questions the PBA claim that there is no CAP limit to preclude the funding of its wage proposal because PBA has failed to factor in to its costs the complete economic package sought and does not account for the compounded value of its package over the term of the agreement. The Boro notes that PBA does not address the continued reduction in State aid. The Borough cautions against an award which would compel the Borough to deviate from its policy of fiscal conservation and budgetary prudence.

10. In the "Financial Impact" area, the Borough questions whether the financial impact, even if small is warranted under the present circumstances.

11. Regarding "Cost of Living", the Boro maintains that PBA is advocating a continuation of the pattern of PBA increases in excess of Consumer Price Index increases. The Boro points to the cumulative effect of the inflated wage increases of the past and questions whether a wage increase is needed at this time, in light of the current low CPI rate of increase.

12. Regarding "Continuity and Stability of Employment", the Borough notes

that it has thus far provided a stable work environment for these unit employees and cautions against a monetary award that would disrupt this stability.

13. The Borough confirms agreement on the stipulated issue.

Analysis

The Borough of Cliffside Park and the New Jersey State Policemen's Benevolent Association, Inc., Local No. 96, were parties to a collective negotiations agreement which expired on December 31, 1995. The negotiations unit includes all regular members of the Police Department of the Borough of Cliffside Park and excludes the Chief of Police, the Deputy Chief of Police, CETA employees and all others. The unit includes two Captains, four Lieutenants, eleven Sergeants and twenty Patrol Officers. A number of Officers serve as Detectives and receive an annual \$700 stipend for this activity.

The disposition of this matter has been guided by the application of the eight statutory criteria set forth in N.J.S.A. 34-13A-16G.

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

In analyzing and evaluating the interests and welfare of the public, The arbitrator must confront the concerns of both parties and attempt to reconcile these concerns in the development of a conventional arbitration decision which is based on a reasonable determination of the issues.

Chief Daniel DeRito issued an Annual Report for 1995 in which he detailed the various activities which the police officers perform in order to better serve and protect the citizens of the Borough of Cliffside Park. The

report notes that there are three Bureaus within the Police Department (Juvenile, Detective and Traffic Bureaus) which work closely in the prevention, correction and investigation of crime, traffic and other offenses. There is also an Emergency Response Team. In addition, Police Officers give lectures on juvenile problems, narcotics, alcohol and defensive driving, traffic and other police connected subjects to schools, P.T.A. groups and other organizations in order to help in the prevention and correction of problems that may exist. The Police are also involved in a Drug and Alcohol Resistance Education program, the Educated Pal program, the Safe Neighborhood Crime Watch program and they participate in the Bergen County Mutual Aid Plan and the Bergen County Rapid Deployment Force which responds to crisis situations such as disasters, demonstrations and riots. Thus, it appears that the Cliffside Park police force is involved in a full range of public safety activities, both correctional and instructional, which apparently well serve the interests of the residents of the Borough of Cliffside Park.

Certainly, the public interest of the residents of Cliffside Park is served by the continued maintenance of a professional police force which , as a result of high morale, is motivated to continue the productive performance of the various activities noted above. On the other hand, although the Borough residents seek to maintain a police force which is productive in all of the above-mentioned public safety activities as well as a force large enough to meet the law enforcement needs of the Borough, the agenda of the Borough's residents and taxpayers includes a program intended to limit the costs of its police force so that other Borough services may be preserved and, at the same time, keep the tax rate as low as possible.

Productivity and high morale are achieved and maintained when police officers receive adequate compensation for their training, experience and unique responsibilities. Morale and a commitment to dedicated performance of these unique responsibilities is dependent on a recognition by police officers that there is a reasonable correlation between their working conditions and the working conditions of other police officers in comparable communities. On the other hand, the Borough has been buffeted by a significant reduction in State aid and declining real estate assessments due to tax appeals and seeks a two year wage freeze in this unit, an action which it maintains would help the Borough to address these financial difficulties.

PBA, citing the average 1995 top step base pay for twenty four Bergen County law enforcement agencies as \$59,712 compared to the 1995 Cliffside Park 1995 top step base pay rate of \$52,945, a \$6,767 or 12.8% deficit, and citing a 4.825 percent average of settlements in twenty eight Bergen County law enforcement agencies in 1996, 4.60% in 1997 and 4.493% in 1998 and 4.067% in 1999, seeks a 6.0% increase in each year in order to take a reasonable step toward bringing the Cliffside Park Police rate from the bottom of the list to a comparable level with the officers in the Bergen County jurisdictions with which it is being compared.

On the other hand, the Borough rejects the comparables offered by the PBA because they are not defined in accordance with N.J.A.C. 19:16- 5.14 and the Boro offers its own comparables, the law enforcement agencies in the Southeast Bergen County quadrant, the Cliffside Park Board of Education agreement with the teachers' Association and the salary ordinance which fixes the compensation for non-unionized municipal employees.

The Boro notes that Cliffside Park police are not at the bottom of the Southeast Bergen County group of law enforcement agencies and, if their generous longevity program is factored into the comparison, Cliffside Park police stack up well in this comparison. The Borough maintains that considerable weight must be given to the wage freeze affecting the non-organized municipal employees and the settlement involving the Cliffside Park Board of Education and their employees. In addition, the Borough argues that, if all of the statutory factors are considered and given appropriate weight, a two year wage freeze is justified.

Under the Borough's proposal, the Cliffside Park Police top step rate would remain at \$52,945 for the two years of their proposed term for the new agreement. Under the Borough's proposal, only unit members entitled to step increments or higher longevity stipends due to length of service would receive higher compensation. In addition, although the level of medical benefits would remain the same, the Borough would incur higher medical insurance costs.

The undersigned does not believe that either the PBA proposal or the Borough proposal reasonably addresses the diverse concerns which must be reconciled in the development of this decision in order to be consistent with the public interests and welfare. As shown later in this decision, the PBA proposal exceeds the rate of increase in the cost of living, exceeds the average of current wage increases, exceeds the rate of increase in the private sector and the rate of increase in the significant , voluntary settlement between the Cliffside Park Board of Education and their employees. On the other hand, the Borough proposal of a wage freeze would fail to match the recent rate of increase in the cost of living, would fall below

the average of current wage increases, would be less than the rate of increase in the private sector and the wage increase percentages contained in the significant Cliffside Park Board of Education voluntary settlement. Accordingly, the undersigned intends to develop an Award which is more consistent with the public interests and welfare than the competing final offers submitted by the parties.

The statute requires, in the consideration of the interests and welfare of the public, that an assessment be made of the limitations imposed on the Borough by N.J.S.A. 40A:4-45.1 et seq., the CAP law. As will be noted in the "Lawful Authority" section of this analysis, the arbitrator's award will not exceed the limits imposed by the CAP law.

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

As other arbitrators have noted, it is difficult to compare the working conditions of public sector police officers with the working conditions of private sector employees performing the same or similar services because of the lack of specific private sector occupational categories with whom a meaningful comparison can be made. The standards for recruiting public sector police officers, the requisite physical qualifications for public sector police and their training and the unique responsibilities which require public sector police to be available and competent to protect the public in different emergent circumstances sets public sector police officers apart from private sector employees doing somewhat similar work. Accordingly, this

comparison merits minimal weight.

However, the rate of wage change in the private sector generally is a consideration which must be accorded significant weight. The rate of wage change in the private sector and the rate of wage change among public sector law enforcement units are affected by the same national and local factors, such as the health of the economy, prevailing interest rates, status of unemployment, rate of inflation and the impact of tax legislation.

Accordingly, this factor merits consideration in conjunction with the rate of wage change in public employment in general and public employment in the same or similar comparable jurisdictions.

Although the parties have not addressed this criterion, the undersigned is constrained to take administrative notice of information, excerpted from the Labor Relations Reporter, 152 LRR 398, dated 7/29/96, which indicates that nationwide private sector settlements have exhibited median average increases of 3% for 1996. However, the Labor Relations Reporter notes that wage increases of unspecified amounts and cost-of-living adjustments were not included in the tabulations of the medians. Accordingly, the rate of change in the private sector appears to be somewhat in excess of 3% for 1996. The Public Employment Relations Commission has furnished the arbitration panel with a report of private sector wage changes compiled by the New Jersey Department of Labor. This report, which shows changes in the average wages of private sector jobs covered under the state's unemployment insurance system, indicates a 3.6% increase in Bergen County of 3.6% in 1995 and a private sector wage increase of 3.4% in the State of New Jersey in 1995. In fashioning the Award in this matter, the undersigned has given this factor significant weight.

b. In public employment in general.

The BLS Report on Negotiations, 8:310, No.1298, dated 3/2/95, published by the Bureau of National Affairs, Inc., notes that State and local government contracts (usually negotiated in 1993 and scheduled for renegotiation in 1995) showed settlement terms that yield annual wage changes (including COLA payments) averaging 2.5% in all State and Local Government contracts over their contract life. The same BLS Report notes that the rate of increase for protective services averaged 3.1%. However the BLS Report notes the following:

Recent settlements suggest a more favorable bargaining climate for at least some State and local government workers with contracts set to expire in 1995. As noted earlier, for the first time since the second half of 1990, settlements reached in the first six months of 1994 provided wage gains that were larger, on average, than those negotiated in the replaced contracts. Both first-year changes (3.0 percent) and annual changes over the contract term (3.3 percent) were at their highest level since the six month period from July 1990 to December 1990. In addition, the proportion of workers with decreases or no changes in their wage rates was considerably lower than in recent years.

Thus the BLS Report on Negotiations confirms the emergence of a more favorable collective negotiations climate in the public sector with fewer wage freezes and annual changes over the contract term increasing to 3.3 percent when parties negotiated renewal contracts for contracts expiring in 1995. This is an additional significant factor to which the

undersigned has assigned weight and has been considered in the formation of the Award.

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

PBA argues that the most appropriate comparison is the one between Cliffside Park Police and the other law enforcement agencies in the Bergen County. On the other hand, the Borough suggests that a better law enforcement agency comparison exists between the Cliffside Park police and the police departments in the Southeastern quadrant of Bergen County, because of their geographical proximity and because of similar socio-economic characteristics. In addition, the Boro maintains that the comparables should include the Board of Education settlement and the ordinance setting salaries for non-unionized Borough employees.

The undersigned believes that the "comparables" offered by the Borough more closely conform to the requirements of N.J.S.A. 34:13A-16.2 since they measure employment conditions of law enforcement officers and firefighters, offer a comparison of employment conditions of employees in negotiations units in the same Borough, contain reference to employment conditions of Borough employees who are not in negotiations units and the pattern of salary and benefit changes among the different groups of employees in the Borough. In addition, the Borough has adequately demonstrated that the Southeast Bergen County communities are geographically adjacent to Cliffside Park, that Cliffside Park is third among the eight communities in its percentage of senior citizens, and is fourth among the eight communities in "Income Level per Capita". It is also noted that Cliffside Park had a Net Valuation Taxable of 1,292,425,629 in 1995, as

compared to the average Net Valuation Taxable of \$1,013,092,932 in 1995 of the eight communities in the Southeast Bergen County Quadrant. Based on the above, the undersigned believes that the comparables proposed by the Borough are appropriate for consideration in this proceeding.

Listed below are the 1995 Base Pay Rates for Top Step Patrolmen in the eight municipal law enforcement agencies in the Southeastern Bergen County quadrant:

<u>1995 Base Pay Rates</u>	
<u>Municipality</u>	<u>Rate</u>
Palisades Park	57,134
Ridgefield	58,108
Leonida	57,645
Edgewater	54,617
Fort Lee	59,470
Ridgefield Park	57,264
Fairview	53,070
Average:	56,758

Cliffside Park PBA: 52,945

Cliffside Park to Avg. (3,818) or 7.2%

During the proceedings, it was determined that five of the seven Southeast Bergen County municipalities had resolved their 1996 contracts and their Top Step Patrolman's rate is available, For comparative purposes, the Borough suggested the use of 3.8% for the unresolved municipalities, the average increase in the Consumer Price Index during the twelve year period

beginning in 1986. Using the actual figures for Palisades Park, Ridgefield, Leonia, Edgewater and Fairview and the average CPI figure for the increases in Fort Lee and Ridgefield Park, the 1996 comparison appears as follows:

	<u>1995</u>	<u>1996</u>	<u>% Increase</u>
<u>Municipality</u>	<u>Rate</u>	<u>Rate</u>	
Palisades Park	57,134	59,990	5.0
Ridgefield	58,108	61,014	5.0
Leonia	57,645	60,527	5.0
Edgewater	54,617	57,348	5.0
Fort Lee (*)	59,470	62,641	3.8
Ridgefield Park	57,264	59,440	3.8
Fairview	53,070	56,029	5.57
 Average:	 56,758	 59,570	 4.73

Cliffside Park PBA: 52,945 52,945

Cliffside Park to Avg. (3,818) or 7.2% (6,625) or 12.5%

(*) In 1995, the Borough indicated that the top Fort Lee rate was 59,470.

Actually, the top rate in Fort Lee was \$58,591 on 1/1/95 and 60,348 on 7/1/95. The top step Fort Lee Officer earned \$59,470 in 1995 as the result of the split raises but the Top Step Fort Lee officer's rate of pay going into 1996 was \$60,348. In the chart above, 3.8% was applied to 60,348 to attain the 1996 rate.

As can be seen from the above chart, there were no settlements or awards below 5% and only the use of the average CPI rate in two

municipalities lowered the average increase below five percent.

Furthermore, it is clear that, under a wage freeze for Cliffside Park police in 1996, they would sink substantially further below the average in the Southeast Bergen municipalities.

The Boro argues that the “differential is not economically significant when consideration is given to the generous longevity benefit which Cliffside Park provides as compared to that of the other comparable jurisdictions”. However, a careful analysis of this claim is not supported by the facts and the arithmetic. The undersigned has compared the impact of longevity on Cliffside Park police and the police in Ridgefield, one of the other seven Southeast Bergen communities. The longevity schedules in the two municipalities appear as follows:

	<u>Cliffside Park</u>	<u>Ridgefield</u>
After 4 years	3.0%	2.5%
After 8 years	6.0%	5.0%
After 12 years	9.0%	7.5%
After 15 years	12.0%	10.0%
After 20 years	15.0%	12.5%
After 24 years	15.0%	15.0%

From the above chart, it can be seen that Cliffside Park police enjoy a positive longevity differential from the initial four year service date to the twenty year service date and a Ridgefield police officer will not achieve the maximum 15% longevity stipend until after 24 years, four years later than the Cliffside Park police officer. In the preparation of this comparison, the 1995 top step base wages shown above have been utilized as a static salary figure from the fifth year of service to the 24th year of service.

The comparison shows the following:

Cliffside Park Police

<u>Year</u>	<u>Base</u>	<u>Longevity</u>	<u>Total</u>
5	52945	1588 (3%)	54533
6	52945	1588	54533
7	52945	1588	54533
8	52945	1588	54533
9	52945	3176 (6%)	56121
10	52945	3176	56121
11	52945	3176	56121
12	52945	3176	56121
13	52945	4765 (9%)	57710
14	52945	4765	57710
15	52945	4765	57710
16	52945	4765	57710
17	52945	6353 (12%)	59298
18	52945	6353	59298
19	52945	6353	59298
20	52945	6353	59298
21	52945	7942 (15%)	60887
22	52945	7942	60887
23	52945	7942	60887
24	52945	7942	60887
Totals:	1058900	95296	1154196

Ridgefield Police

<u>Year</u>	<u>Base</u>	<u>Longevity</u>	<u>Total</u>
5	58108	1453 (2.5%)	59561
6	58108	1453	59561
7	58108	1453	59561
8	58108	1453	59561
9	58108	2906 (5%)	61014
10	58108	2906	61014
11	58108	2906	61014
12	58108	2906	61014
13	58108	4358 (7.5%)	62466
14	58108	4358	62466
15	58108	4358	62466
16	58108	4358	62466
17	58108	5811 (10%)	63919
18	58108	5811	63919
19	58108	5811	63919
20	58108	5811	63919
21	58108	7264 (12.5%)	65372
22	58108	7264	65372
23	58108	7264	65372
24	58108	7264	65372
Totals:	1162160	87168	1249328

Accordingly, in spite of a better longevity schedule in Cliffside Park, the Ridgefield police officer will earn \$95,132 (1,249,328 - 1,154,196) over the twenty year period. After 24 years, the longevity schedule stipends are

the same. It is interesting to note that the \$103,260 discrepancy in base wages has been decreased only to \$95,132 by the effect of the better longevity schedule in Cliffside Park. Furthermore, if the \$2906 increase achieved by the Ridgefield police in 1996 is added to their twenty year earnings and there was a freeze in the Cliffside Park earnings, the discrepancy would be further widened by \$58,120 (2906 X 20).

The Borough has offered the Board of Education settlement as an appropriate comparable in this proceeding. The undersigned believes that the Board of Education settlement is a very significant comparable and should be given considerable weight. The Cliffside Park Board of Education budget is funded by the same taxpayers who fund the Cliffside Park police department. The sources of revenue for the Board of Education are similarly affected by the reductions in State aid and loss of income due to tax appeals. The largest item in the total tax levy is devoted to education. Accordingly, the size of the Board of Education budget impacts significantly on the Borough taxpayers. Furthermore, the Board of Education budget is submitted to the taxpayers each year for approval or rejection. In the face of these circumstances, the Cliffside Board of Education has negotiated a three year contract with the Cliffside Park Education Association which provides the following percentage increases:.

1996-97:	2.6%
1997-98:	3.7%
1998-99:	3.7%

It must be noted that the increases listed above were the result of negotiations, were voluntarily agreed to and not the product of terms imposed by a third party neutral.

The undersigned has studied the pattern of percentage increases for Board of Education employees and their relationship to increases in the police department since 1992 and notes the following:

	1992	1993	1994	1995	Total
Bd. Of Ed.	5.2	5.4	4.8	4.8	20.2
Police	6.0	5.0	5.0	4.5	20.5

The pattern of increases is remarkably similar. The increases in each group exceeded the Consumer Price Index increases. The increases in each group show a downward trend. The total of the percentage increases over the four year period show only a .3% differential, favoring the police.

The Borough has offered the wage freeze for non-unionized employees of the Borough as an additional appropriate comparable in this proceeding. The undersigned has studied this comparable but must conclude that the Board of Education settlement is a far more significant comparable and should be given considerably more weight primarily because the Board of Education voluntary settlement was the product of bilateral negotiations whereas the wage freeze for non-unionized Borough employees was unilaterally imposed by the employer.

The undersigned, in the consideration of the statutory criterion of "Comparables" also takes administrative notice of a summary of Interest Arbitration Awards and voluntary settlements issued by P.E.R.C. since January 1, 1997 which generally cover the same time frame implicated in this proceeding. The charts below reflect only wage increases provided in 1996, 1997 and 1998, the years involved in this proceeding. The arbitration awards list all conventional arbitration awards to date. The undersigned has not included the State/SLEU conventional award because of the inability to

translate bonuses and dollar amounts to comparative percentages. However, it appears that inclusion of this conventional award would lower the average because the award provides for a \$250 cash bonus in 1996 plus uniform maintenance or clothing allowance. In 1997 and 1998 a 3.5% increase is provided.

	<u>Settlements</u>					
	1/1/96	7/1/96	1/1/97	7/1/97	1/1/98	7/1/98
New Milford	2.0%	2.0%	3.5%		2.0%	2.5%
Franklin	4.0%		4.2%			4.2%
Mendham	4.0%		4.25%			
Bordentown	4.0%		4.5%			4.5%
Montclair	2.0%	3.0%	3.0%	1.75%	3.0%	1.75%
Marlboro	4.0%		4.75%		4.65%	
Hillside		2.9%		3.0%		3.5%
Hamilton		4.0%		4.0%		4.0%
Princeton	3.9%		3.9%		3.9%	
Verona	3.0%		3.0%	3.0%	3.0%	5.0%
Lebanon	4.0%		4.5%		4.5%	
Camden	3.9%*		3.9%*		3.9%*	

(Co. Pros)

*plus 1.1% for top step

After adjusting for the split increases, the average increase in 1996 is 3.8%, in 1997 it is 4.4% and in 1998 it is 4.38%.

Interest Arbitration Awards

	1/1/96	7/1/96	1/1/97	7/1/97	1/1/98	7/1/98
Far Hills	4.0%		4.0%		4.25%	
Hackettstown	3.4%		3.5		3.5%	
Emerson	4.0%		3.5%		2.0%	
Hudson Co	5.0%		5.0%		5.0%	
Rutherford	3.75%		3.75%		2.0%	2.0%
Allendale	4.0%		3.75%		3.50%	
W. Caldwell	4.95%		4.0%		4.0%	
Bernards	3.5%		3.75%		4.0%	
Average:	4.19%		3.91%		3.53%	

When one combines average increases in settlements and Interest Arbitration Awards, the pattern of increases for 1996, 1997 and 1998 appears as follows:

	1996	1997	1998
Settlements:	3.8	4.4	4.38
IA Awards:	4.19	3.91	3.53
Average:	4.00	4.16	3.96

It is noted that the average of Interest Arbitration Awards is on a downward slope. However, it appears that the average, between settlements and Interest Arbitration Awards, is still higher than the rate of increase in the Consumer Price Index. In addition, the composite three year increase in IA Awards is 11.63% in the three year period analyzed as compared to the composite 10% increase negotiated by the Cliffside Park Board of Education during the same time frame. Accordingly, the undersigned believes that the above listed salary comparisons are pertinent and should provide

guidance in the development of the Award in this matter.

As noted above, the Borough places great emphasis on the wage freeze which it has implemented among its non-unionized employees and it proposes that the same wage freeze apply to this negotiations unit. However, as noted above, little weight is accorded to a wage freeze unilaterally imposed as compared to the voluntary, mutually negotiated Cliffside Park Board of Education settlement and the wage settlements in the comparable Southeast Bergen communities which were the product of a negotiations process, either settlement or an award.

It must be noted that the rate of wage increases contained in the Cliffside Park Board of Education is closely related to the current increase in the cost of living index, falls below the "going rate" of increases in 1996 (as shown in the comparisons listed above) but follows the downward trend of settlements and awards in the most recent period and is also closely related to the rate and trend of wage increases in the private sector.

For all of the above reasons as well as the significant weight which should be accorded to an internal Borough settlement with a large bargaining unit , which is influenced by the same economic factors affecting the disposition of this matter and having a significant economic impact on the same residents and taxpayers as are affected by this proceeding, the wage settlement in the Cliffside Park Board of Education provides an appropriate model for the Award in this proceeding and will be utilized in the development of the Award.

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.

The consideration of this statutory criterion is based on the evidence and analysis noted above in the study of Criterion No. 2 and the conclusion reached in the study of Criterion No. 2 is equally applicable to this criterion. It should be noted that the employees in this unit receive an outstanding package of medical and hospitalization benefits. It should be noted that the employer projects an increase in the cost of providing these benefits. However, during the term of this agreement, there will be no change in the level of benefits provided to the employees. In the development of this Award, the undersigned has been mindful of the Borough's additional insurance cost burden in this area.

The current agreement contains, in Section VI, an Education Incentive which reimburses employees who receive satisfactory grades in police related courses at a County or State School which employees might be permitted to attend at the discretion of the Chief of Police. The PBA proposal seeks to eliminate the Chief's discretion to grant permission for the courses. However, there is nothing in the record to indicate that the discretion provision has been improperly utilized or that the exercise of this discretion has prevented employees from availing themselves of this contractual benefit. In the absence of a showing of a need for this contractual change, the undersigned must reject the PBA request.

The Cliffside Park police do not currently receive personal days as part of their overall compensation. The record does not contain any

evidence concerning the need of Borough police officers for additional paid leave time. The undersigned notes that the vacation clause of the contract provides 21 days of vacation for officers with more than three years of service and thirty one days for Superior Officers. In addition, the clause places no limit on the fragmentation of vacation day use into blocks of one or more days. Accordingly, the PBA request for personal days is denied.

As part of their overall compensation, Cliffside Park police receive an annual \$550 clothing allowance and PBA seeks a \$200 increase in this allowance. When an analysis is made of the clothing allowances in the seven other Southeast Bergen communities, it appears that Cliffside Park police receive an allowance which is \$57 less than the average of the other seven communities. Cliffside Park is now in sixth position concerning this benefit and a \$200 increase would vault this unit to second place. Although a small increase in clothing allowance appears to be warranted, in developing the economic award, the undersigned has determined that only the category of salaries should be modified in this matter in order to provide employees with the maximum wage improvement within the reasonable constraints of the Borough's fiscal situation. Thus, the PBA request for an improvement in clothing allowance is not included in this award.

4. Stipulations of the parties.

There are no pertinent, substantive stipulations of the parties which require consideration in this matter.

However, the undersigned notes that the parties have agreed to include in the new agreement a clause regarding the enforcement of police officers' rights, as generally referred to in the case of Banca v. Phillipsburg.

In the event that this matter is not resolved by the parties, the undersigned will retain jurisdiction to deal with this issue.

7. The cost of living.

The Employer has submitted Table 16 by Expenditure Category, Consumer Price Index for all Urban Consumers , (Exhibit B-1, Page 40) which indicated a 2.72% increase from January, 1995 to January, 1996 and a 3.32% increase from January, 1996 to December, 1996, amounting to a 6.2 percent increase in 1995 and 1996.

This low level of inflation has persisted for several years and, despite the improved conditions now apparent in the national economy, the inflation rate has not accelerated to date.

Under the Borough's proposal, the salaries of the police officers in this unit would be frozen at the levels set on January 1, 1995 in the previous contract. Accordingly, the salaries of these officers would not keep pace with the increase in the cost-of-living and would, indeed, result in a loss of purchasing power for these officers. On the other hand, the PBA proposal would entail annual increases which are about double the present rate of inflation.

Under these circumstances, the undersigned believes that both proposals are flawed with respect to this statutory criterion. In the development of the award in this matter, the undersigned believes, as noted above, that the Cliffside Park Board of Education settlement more accurately tracks the cost-of-living index increase and, therefore, is more consistent with this statutory criterion.

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

6. The financial impact on the governing unit, its residents and taxpayers. The arbitrator 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 its proposed local budget.

At this point, based on the factors analyzed above, the terms of the economic award will be listed and the costs calculated in order to determine how the award will comport with the two statutory criteria listed above. As noted above, the percentage increases contained in the Cliffside Park Board of Education provide an appropriate model for the Award in this proceeding and will now be utilized. In developing the economic award, the undersigned has determined that only the category of salaries should be modified in this matter in order to provide employees with the maximum wage improvement within the reasonable constraints of the Borough's fiscal situation. Thus, as noted above, the PBA requests for an improvement in clothing allowance and two personal days are not included in this award.

Term:

PBA seeks a four year agreement while the Borough requests a two year agreement. The undersigned notes that, of twenty four contracts placed in the record by PBA, there are only seven contracts with settled figures for 1998 and there are only three contracts with settled figures for 1999. In this proceeding, the Borough has emphasized the financial impact of significant reductions in State aid and the loss of revenue due to successful tax appeals. The award in this proceeding has been affected by these serious financial impacts. However, there are no sound or reliable long range projections on which this arbitrator can rely in order to fashion a supportable award for 1998 and 1999. The undersigned agrees with the Borough that a two year agreement will provide the parties with an opportunity "to re-evaluate their positions and demands in light of more current conditions". Although a two year agreement will result in the parties returning to the negotiations table shortly after the issuance of this award, the undersigned believes this may prove more tolerable than coping with an award which has problematic underpinnings.

Accordingly, the term of the new agreement shall run from Jan. 1, 1996 to Dec. 31, 1997.

Salaries:

As noted above, the model for the award herein is the Cliffside Park Board of Education agreement. The Cliffside Park Board of Education agreement has a three year term and includes salary rate increases totaling ten percent over the three years, or an average of 3.33% in each year. The Board of Education agreement is "back-loaded", providing 2.6% in the first

year, 3.7% in the second year and 3.7% in the third year. The undersigned believes that the intent and effect of the Board contract will be accomadated by a 3% increase in 1996 and a 3.5% increase in 1997.

The Borough of Cliffside Park costing of 1996 Salary and Fringe Benefits by Officer and the 1997 Salary and Fringe Benefits by Officer (Employer Exhibit B-I, Pages 4 through 18) have been utilized to cost the competing proposals and as a basis for the costing of the arbitrator's award. Exhibit A, attached hereto, contains a listing of the 1995 Base Wage Rates and the application of 3% to those rates in 1996 and the application of 3.5% to those rates in 1997. Exhibit B, attached hereto, contains the longevity schedule applied to the new rates in 1996 and 1997. Exhibit C, attached hereto, contains a costing of the Borough proposal for 1996. Exhibit D, attached hereto, contains a costing of the Borough proposal in 1997. Exhibit E, attached hereto, contains a costing of the PBA proposal in 1996 and Exhibit F, attached hereto, contains a costing of the PBA proposal in 1997. Exhibit G, attached hereto, contains a costing of the arbitrator's award for 1996 and Exhibit H contains a costing of the arbitrator's award in 1997. Exhibit I contains a summary of the costs of the competing proposals and the award. In each proposal, employees entitled to step movement have been moved to the next step. In each proposal, the longevity cost has been adjusted based on increased salaries and movement to the next longevity plateau, when warranted. In each proposal, the cost of holidays has been adjusted to reflect the effect of modified salary and longevity figures. In the PBA proposal, the cost of increasing the clothing allowance and implementing two personal days has been included but excluded from the Borough proposal and the arbitrator's award as inapplicable. Each of the

proposals and the award contain the modified Medicare payments resulting from the income adjustments. Each proposal contains the same insurance figures.

The annual costs of the Borough, PBA and Arbitrator's Award appear as follows:

	Borough	PBA	Arbitrator	Diff/PBA	Diff/Arb
1996	2,718,695	2,873,405	2,783,900	154,710	65,205
1997	2,869,083	3,168,440	3,012,198	299,357	143,115

The statutory criterion relating to the lawful authority of the Employer specifically requires consideration of the limitations imposed upon the employer by the CAP Law. N.J.S.A. 40A:4-45.1 et seq. Under the CAP Law, an employer is limited to expenditures within a specified index rate unless it takes the required steps to utilize the maximum CAP rate of 5%. The Borough has, in the recent past, confined its expenditures within the specified index rate and has not acted to utilize the 5% maximum rate. Under these circumstances, the unexpended sums may be banked and carried for later use under the CAP Law. In the 1996 Operating Budget CAP Calculation, the Borough elected to stay within a specified index rate of 3.5%. The Borough could have utilized 5% of \$11,220,958. The employer has the lawful authority to utilize the difference of \$168,314 within the CAP. In fact, the Borough utilized only \$11,247,395 of the \$11,613,692 allowable appropriation for municipal purposes within the 3.5% CAP. The unexpended CAP amounts from 1996 may be banked for use in 1997. Accordingly, the Borough clearly has the lawful authority to avail itself of sufficient funds under the CAP Law to implement the additional cost of the arbitrator's award, as noted above.

At this point, the analysis of the statutory criteria requires a

consideration of the financial impact of the Award on the Borough, its residents and taxpayers. In 1996, as noted above, the arbitrator's award will cost \$65,205 more than the amount proposed by the Borough. In 1997, the arbitrator's award will cost \$143,115 more than the amount proposed by the Borough.

The undersigned believes that the record indicates that there is sufficient surplus to accommodate the slightly higher costs of the arbitrator's award without making a substantial reduction in the current fund. In the Annual Financial Statement for the Year 1995, Exhibit P-38, Sheet 21, the following appears:

	Debit	Credit
Balance January 1, 1995		5,658,260.61
Excess Resulting from 1995 Operations		3,180,907.59
Amount Appropriated in the 1995 Budget	3,350,000	
Balance Dec. 31, 1995	5,489,168	

Thus, after adding the excess resulting from 1995 operations to the January 1, 1995 Fund Balance and then subtracting the amount appropriated in the 1995 budget, the Surplus - Current Fund Balance on December 31, 1995 was \$5,489,168. If the additional cost of the arbitrator's award in the first year of the contract, \$65,205, was removed from the Current Fund Surplus at the start of the two year contract term, the Current Fund Balance would be reduced to \$5,423,963 a 1.2% reduction.

Furthermore, it appears that the Borough's conservative budgetary practices will continue to regenerate fund balances in the following year. The Annual Financial Statement for the year 1994 (P-37) shows that the percentage of cash collections to the total 1994 levy was 96.04%. The

Annual Financial Statement for the year 1995 (P-38) shows that the percentage of cash collections to the total 1995 levy was 97.99. Although these figures exhibited a pattern of rising tax collection rates and although the Borough may budget up to the amount of actual collections in the preceding year, the Borough set a reserve of 92% for 1996. The Borough's financial witness confirmed that this created a possible increase of \$1,600,000 in surplus. When the arbitrator asked whether the Borough always budgeted a reserve which was 5% below the previous year's tax collection rate, the Borough's Chief Financial Officer, Fank Berardo, confirmed that this had been the practice of the Borough in the past two years. Although there is no guarantee that the Borough's tax collection rate would remain at 97.99%, any tax collection rate in excess of 92% will help to regenerate surplus.

In addition, it appears that the Borough has realized significant savings as the result of employee turnover which will help in funding the difference between the Borough's proposal and the Arbitrator's Award.

In his annual report for 1995, Chief DeRito noted that Deputy Chief John Krivy retired on March 1, 1995. In the Official Roster as of August 1, 1996, approved by Chief Daniel DeRito, (Exhibit P-2b), there is no Deputy Chief. The parties' Agreement (Exhibit J-1, at Page 29) indicates a salary of 64,791.63 for a Deputy Chief in 1995. In the absence of a replacement, there has been a savings of \$53,993 for the last 10 months of 1995 and a savings of \$37,795 in the first seven months of 1996, for a total saving of \$91,788 in wages. If Deputy Chief Krivy was entitled to a 15% longevity stipend, there would have been an additional saving of \$13,768.

Within the negotiations unit, the record indicates the termination of

two patrolmen. Lum Chang Pang, hired on 1/19/88, was terminated on 9/13/94. Thomas Kingman, hired in 1989, was terminated on 11/20/95. On Dec. 23, 1995 Thomas Ingenito and Jos. Biasco were hired as Patrolmen.. The difference in their earnings in 1996 (had Pang and Kingman continued their employment) is listed below:

	Salary	Longevity	Total
Pang	52945	1588	54533
Kingman	52945	1588	54533
Total:			109066
Ingenito	23558		23558
Biasco	23,558		23558
Total:			47116
		109066	
		47116	
Differential:		61950	

Thus, it appears that, in 1996, payroll savings attributable to turnover, in the amount of \$61,950, may offset the additional cost of the arbitrator's award.

In any event, even if one were to disregard any offsets discussed above, the minimal financial impact on Cliffside Park's taxpayers of the additional cost of the arbitrator's award is demonstrated below:

Year	Assessed Valuation	Additional Cost	Increase
1996	1,285,114,441	65,205	.00507
1997	1,268,604,609	143,115	.01128

The record indicates that the average value of a residence in Cliffside Park

is \$171,000. The increase, noted above, would cost the average homeowner \$8.68 in 1996 and \$19.29 in 1997.

On the record, the Borough's financial witness confirmed that, in 1996, the total levy was \$27,252,000 and the municipal portion of that levy was \$11,527,000, roughly 42 percent (actually 42.3%). If the additional cost of the award were added to the municipal levy and the total levy remained the same, the municipal portion would then be 42.5%. If the total levy were increased by the same amount, the municipal portion would then be 42.4%.

Inasmuch as evidence has not been introduced in these areas, the arbitrator need not make a comparison of the percentage of the municipality purposes element required to fund the employees' contract in the preceding local budget year; consider the impact of the award for each income sector of the property taxpayers of the local unit (the impact on the average homeowner has been considered); consider the impact of the award on the ability of the municipality to (a) maintain existing local programs and services, (b) expand existing local programs and services for which public moneys have been designated by the municipality in a proposed local budget, or (c) initiate any new programs and services for which public moneys have been designated by the municipality in its proposed budget.

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.

Although each party maintains that adoption of its position will enhance the continuity and stability of employment of this unit of police

officers, the undersigned does not believe that there is sufficient evidence in the record to support a finding that the continuity or stability of employment would be significantly affected by the adoption of either award. Although the record indicates that, in a unit of thirty eight officers, there are two recent hires and four officers in their third year of service, there is no evidence that prior officers have left this unit voluntarily to accept higher paying jobs in other communities. On the other hand, it appears that the Borough has been able to attract replacements when needed and to retain a competent and profesional police force. The undersigned believes that the compensation package developed in this award is fair and reasonable. A fair and reasonable compensation package, applied within the confines of budgetary constraints, should promote the stability and continuity of employment in this unit by encouraging employees to persevere in their law enforcement efforts on behalf of the Borough and its taxpayers and foreclose the employer's need to consider a reduction in a force that is providing a valuable public safety function for the residents and taxpayers.

In the resolution of this dispute, the undersigned has deemed each of the statutory criteria relevant (except for the criterion relating to stipulations) and has assigned due weight to the criteria discussed above. In addition, the undersigned has carefully considered the evidence and arguments presented by the parties. In this analysis, the undersigned has assigned considerable weight to the trend in private sector increases and other public sector increases generally as well as the current rate of increase in the Consumer Price Index. The undersigned has given great weight to an internal comparison within the Borough of Cliffside Park, the recent Board of Education settlement. The undersigned has considered the

average rate of increases among law enforcement agencies in the Southeast Bergen County quadrant but has awarded a somewhat lower percentage package in light of the comparisons noted above and in light of the substantial losses in State aid and revenue loss due to tax appeals impacting on the budget of this community and the projection of higher insurance costs. The undersigned believes that the arbitrator's award does not require expenditures which will exceed the Borough's lawful authority. In my role as an arbitrator with conventional authority, I have sought to develop an award which addresses and balances the concerns of both parties. The undersigned believes that the interests and welfare of the public will benefit by an Award containing a reasonable compensation package which will have a modest financial impact on the Borough's residents and taxpayers and contribute to the continuity and stability of employment in this negotiations unit.

Accordingly, based on an evaluation of the evidence submitted and the arguments advanced by each party and, after due consideration of each of the statutory criteria contained in N.J.S.A. 34:13A-16, the undersigned renders the following

INTEREST ARBITRATION AWARD

1. The term of the agreement shall be from January 1, 1996 through December 31, 1997.
2. There shall be across-the-board wage increases in the following percentages on the effective dates noted below:

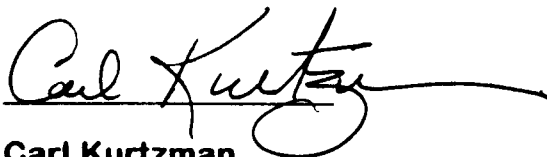
1996:	1/1/96:	3%
1997:	1/1/97:	3.5%

The Basic Wage Rates for 1996 and 1997 shall be in accordance with Exhibit

A, attached hereto.

3. All other proposals made by both parties are denied.

4. All of the provisions of the prior agreement shall be retained in the new agreement, except as modified by this award or the agreement of the parties.



Carl Kurtzman


Arbitrator

Dated: September 17, 1997

State of New York)

County of Nassau)

On the 17th day of September, 1997, before me personally came and appeared Carl Kurtzman, to me known and known to me to be the person described herein who executed the foregoing instrument, and he acknowledged to me that he executed the same.



BRIAN R. LEE
Notary Public, State of New York
No. 01LE5067181
Qualified in Suffolk County
Commission Expires October 15, 1998

Exhibit A

Basic Wage Rates

Rank	1995	1996	1997
Academy	23500	24205	25052
Step 2	26555	27352	28309
Step 3	30000	30900	31981
Step 4	33900	34917	36139
Step 5	38325	39475	40856
Step 6	43354	44655	46218
Step 7	47000	48410	50104
Sen. Off.	52945	54533	56442
Sgt.	56142	57827	59851
Lieut.	58853	60619	62741
Captain	61564	63411	65630

Longevity Schedule

Exhibit B

Rank	1996	0.03	0.06	0.09	0.12	0.15
Academy	24205	726	1452	2178	2905	3631
Step 2	27352	821	1641	2462	3282	4103
Step 3	30900	927	1854	2781	3708	4635
Step 4	34917	1048	2095	3143	4190	5238
Step 5	39475	1184	2369	3553	4737	5921
Step 6	44655	1340	2679	4019	5359	6698
Step 7	48410	1452	2905	4357	5809	7262
Sen. Off.	54533	1636	3272	4908	6544	8180

Longevity Schedule

Rank	1997	0.03	0.06	0.09	0.12	0.15
Academy	25052	752	1503	2255	3006	3758
Step 2	28309	849	1699	2548	3397	4246
Step 3	31981	959	1919	2878	3838	4797
Step 4	36139	1084	2168	3253	4337	5421
Step 5	40856	1226	2451	3677	4903	6128
Step 6	46218	1387	2773	4160	5546	6932
Step 7	50104	1503	3006	4509	6012	7516
Sen. Off.	56442	1693	3387	5080	6773	8466

Borough Proposal 1996

Exhibit C

Name	Salary	longevity	Holidays	Clothing	Medicare	Ins.	Total
Dickman	61564	9235	3268	550		6680	81297
Linardi *	61564	9935	3300	550		6982	82331
Keane	58853	5297	2961	550		8034	75695
Maturo	58853	8828	3124	550		8034	79389
Spina	58853	8828	3124	550		6680	78035
Umland *	58853	7762	3075	550		6680	76920
Aurelio	56143	6737	2902	550		6680	73012
Badrow *	56143	4069	2779	550	873	8034	72448
Biasco *	56143	4069	2779	550	873	8034	72448
Frato	56143	3369	2747	550		8034	70843
Gaito	56143	3369	2747	550		8034	70843
Kelly *	56143	3020	2731	550	858	8034	71336
Monacelli	56143	6737	2902	550		8034	74366
Raia	56143	8421	2980	550		3140	71234
Rossillo	56143	8421	2980	550		3140	71234
Vermeal	56143	8421	2980	550		6680	74774
Winters	56143	8421	2980	550		3140	71234
Biasco	23558		1087	550	342	3140	28677
Becker	52945	1588	2517	550	791	6680	65071
Cinque	52945	3177	2590	550	814	8034	68110
Davis	52945	1588	2517	550	791	6680	65071
Flanagan	52945	1588	2517	550	791	4642	63033
Hardigan	52945	3177	2590	550	814	8034	68110
Haroldson	30000		1385	550	435	8034	40404
Ingenito	23558		1087	550	342	3140	28677
MacKay	30000		1385	550	435	8034	40404
Marano	30000		1385	550	435	3140	35510
Martello	52945	3177	2590	550		6680	65942
Oriente	52945	3177	2590	550	814	8034	68110
Russo *	52945	3877	2623	550	824	8034	68853
Sciancalp	52945	3177	2590	550	814	8034	68110
Silecchia	52945	1588	2517	550	791	6680	65071
Simeone	52945	3177	2590	550		8034	67296
Spinelli	52945	3177	2590	550	814	3140	63216
Terranova	52945	3177	2590	550		8034	67296
Vicchio	52945	3177	2590	550	814	8034	68110
Vitale	30000		1385	550	435	8034	40404
Yu	30000		1385	550	435	4642	37012
							2449926

Borough Proposal 1997

Exhibit D

Name	Salary	longevity	Holidays	Clothing	Medicare	Ins.	Total
Dickman	61564	9235	3268	550		6686	81303
Linardi *	61564	9935	3300	550		8048	83397
Keane	58853	5297	2961	550		8048	75709
Maturo	58853	8828	3124	550		8048	79403
Spina	58853	8828	3124	550		6686	78041
Umland *	58853	9128	3138	550		6686	78355
Aurelio	56143	8040	2962	550		6686	74381
Badrow *	56143	4069	2779	550	873	8048	72462
Biasco *	56143	4069	2779	550	873	8048	72462
Frato	56143	4513	2799	550		8048	72053
Gaito	56143	3369	2747	550		8048	70857
Kelly *	56143	4069	2779	550	873	8048	72462
Monacelli	56143	6737	2902	550		8048	74380
Raia	56143	8421	2980	550		3145	71239
Rossillo	56143	8421	2980	550		3145	71239
Vermeal	56143	8421	2980	550		6686	74780
Winters	56143	8421	2980	550		3145	71239
Biasco	26620		1229	550	386	3145	31930
Becker	52945	2218	2546	550	800	6686	65745
Cinque	52945	3177	2590	550	814	8048	68124
Davis	52945	3177	2590	550	814	6686	66762
Flanagan	52945	1588	2517	550	791	4651	63042
Hardigan	52945	4256	2640	550	829	8048	69268
Haroldson	33900		1565	550	492	8048	44555
Ingenito	26620		1229	550	386	3145	31930
MacKay	33900		1565	550	492	8048	44555
Marano	33900		1565	550	492	3145	39652
Martello	52945	4256	2640	550		6686	67077
Oriente	52945	3177	2590	550	814	8048	68124
Russo *	52945	3877	2623	550	824	8048	68867
Sciancalp	52945	3177	2590	550	814	8048	68124
Silecchia	52945	2218	2546	550	800	6686	65745
Simeone	52945	4256	2640	550		8048	68439
Spinelli	52945	3177	2590	550	814	3145	63221
Terranova	52945	4256	2640	550		8048	68439
Vicchio	52945	3177	2590	550	814	8048	68124
Vitale	33900		1565	550	492	8048	44555
Yu	33900		1565	550	492	4651	41158
							2491198
						Pension	377885
						Total:	2869083

Note: Spinelli's total cost is stated incorrectly in the Borough's calculation because his fringe benefits were omitted.

PBA Proposal 1996

Exhibit E

Name	Salary	longevity	Holidays	Clothing	Med	PD	Ins.	Total
Dickman	65258	9789	3464	750	577		6680	86518
Linardi *	65258	10489	3496	750	583		6982	87558
Keane	62384	5615	3138	750	523		8034	80444
Maturo	62384	9358	3311	750	552		8034	84389
Spina	62384	9358	3311	750	552		6680	83035
Umland *	62384	8186	3257	750	543		6680	81800
Aurelio	59512	7141	3076	750	513		6680	77672
Badrow *	59512	4271	2944	750	925	491	8034	76927
Biasco *	59512	4271	2944	750	925	491	8034	76927
Frato	59512	3571	2912	750		485	8034	75264
Gaito	59512	3571	2912	750		485	8034	75264
Kelly *	59512	3159	2893	750	909	482	8034	75739
Monacelli	59512	7141	3076	750		330	8034	78843
Raia	59512	8927	3159	750		526	3140	76014
Rossillo	59512	8927	3159	750		526	3140	76014
Vermeal	59512	8927	3159	750		526	6680	79554
Winters	59512	8927	3159	750		526	3140	76014
Biasco	24971		1153	750	362	192	3140	30568
Becker	56122	1684	2668	750	838	445	6680	69187
Cinque	56122	3367	2746	750	863	458	8034	72340
Davis	56122	1684	2668	750	838	445	6680	69187
Flanagan	56122	1684	2668	750	838	445	4642	67149
Hardigan	56122	3367	2746	750	863	458	8034	72340
Haroldson	31800		1468	750	461	245	8034	42758
Ingenito	24971		1153	750	362	192	3140	30568
MacKay	31800		1468	750	461	245	8034	42758
Marano	31800		1468	750	461	245	3140	37864
Martello	56122	3367	2746	750		458	6680	70123
Oriente	56122	3367	2746	750	863	458	8034	72340
Russo *	56122	4067	2778	750	873	463	8034	73087
Sciancalp	56122	3367	2746	750	863	458	8034	72340
Silecchia	56122	1684	2668	750	838	445	6680	69187
Simeone	56122	3367	2746	750	0	458	8034	71477
Spinelli	56122	3367	2746	750	863	458	3140	67446
Terranova	56122	3367	2746	750		458	8034	71477
Vicchio	56122	3367	2746	750	863	458	8034	72340
Vitale	31800		1468	750	461	245	8034	42758
Yu	31800		1468	750	461	245	4642	39366
								2604636
							Pension	268769
							Total:	2873405

PBA Proposal 1997

Exhibit F

Name	Salary	longevity	Holidays	Clothing	Med	PD	Ins.	Total
Dickman	69173	10376	3671	750		612	6686	91268
Linardi *	69173	11076	3704	750		617	8048	93368
Keane	66127	5951	3327	750		554	8048	84757
Maturo	66127	9919	3510	750		585	8048	88939
Spina	66127	9919	3510	750		585	6686	87577
Umland *	66127	10170	3521	750		587	6686	87841
Aurelio	63083	9034	3328	750		555	6686	83436
Badrow *	63083	4485	3119	750	980	520	8048	80985
Biasco *	63083	4485	3119	750	980	520	8048	80985
Frato	63083	5070	3146	750		524	8048	80621
Gaito	63083	3785	3086	750		514	8048	79266
Kelly *	63083	4485	3119	750	980	520	8048	80985
Monacelli	63083	7570	3261	750		543	8048	83255
Raia	63083	9462	3348	750		558	3145	80346
Rossillo	63083	9462	3348	750		558	3145	80346
Vermeal	63083	9462	3348	750		558	6686	83887
Winters	63083	9462	3348	750		558	3145	80346
Biasco	29910		1380	750	434	230	3145	35849
Becker	59489	2492	2861	750	899	477	6686	73654
Cinque	59489	3569	2910	750	914	485	8048	76165
Davis	59489	3569	2910	750	914	485	6686	74803
Flanagan	59489	1785	2828	750	888	471	4651	70862
Hardigan	59489	4782	2966	750	932	494	8048	77461
Haroldson	38090		1758	750	552	293	8048	49491
Ingenito	29910		1380	750	434	230	3145	35849
MacKay	38090		1758	750	552	293	8048	49491
Marano	38090		1758	750	552	293	3145	44588
Martello	59489	4782	2966	750		494	6686	75167
Oriente	59489	3569	2910	750	914	485	8048	76165
Russo *	59489	4269	2943	750	924	490	8048	76913
Sciancalp	59489	3569	2910	750	914	485	8048	76165
Silecchia	59489	2492	2861	750	899	477	6686	73654
Simeone	59489	4782	2966	750	0	494	8048	76529
Spinelli	59489	3569	2910	750	914	485	3145	71262
Terranova	59489	4782	2966	750		494	8048	76529
Vicchio	59489	3569	2910	750	914	485	8048	76165
Vitale	38090		1758	750	552	293	8048	49491
Yu	38090		1758	750	552	293	4651	46094
								2790555
							Pension	377885
							Total:	3168440

Note: The Borough calculation for the PBA cost in 1997 for Spinelli is incorrect. It did not include Spinelli's fringe benefit

Arbitrator's Award - 1996

Exhibit G

Name	Salary	Longevity	Holidays	Clothing	Medicare	Ins.	Total
Dickman	63411	9512	3366	550		6680	83519.04
Linardi *	63411	10212	3399	550		6982	84554
Keane	60619	5456	3050	550		8034	77708.83
Maturo	60619	9093	3218	550		8034	81513.72
Spina	60619	9093	3218	550		6680	80159.72
Umland *	60619	7974	3167	550		6680	78990.25
Aurelio	57827	6939	2989	550		6680	74985.06
Badrow *	57827	4170	2862	550	899	8034	74342.37
Biasco *	57827	4170	2862	550	899	8034	74342.37
Frato	57827	3470	2829	550		8034	72710.41
Gaito	57827	3470	2829	550		8034	72710.41
Kelly *	57828	3089	2813	550	884	8034	73197.93
Monacelli	57827	6939	2989	550		8034	76339.06
Raia	57827	8674	3069	550		3140	73260.4
Rossillo	57827	8674	3069	550		3140	73260.4
Vermeal	57827	8674	3069	550		6680	76800.4
Winters	57827	8674	3069	550		3140	73260.4
Biasco	24264		1120	550	352	3140	29425.61
Becker	54533	1636	2593	550	815	6680	66806.51
Cinque	54533	3272	2668	550	838	8034	69894.7
Davis	54533	1636	2593	550	815	6680	66806.51
Flanagan	54533	1636	2593	550	815	4642	64768.51
Hardigan	54533	3272	2668	550	838	8034	69894.7
Haroldson	30900		1427	550	448	8034	41358.55
Ingenito	24265		1120	550	352	3140	29426.61
MacKay	30900		1427	550	448	8034	41358.55
Marano	30900		1427	550	448	3140	36464.55
Martello	54533	3272	2668	550		6680	67702.7
Oriente	54533	3272	2668	550	838	8034	69894.7
Russo *	54533	3972	2702	550	849	8034	70639.69
Sciancalp	54533	3272	2668	550	838	8034	69894.7
Silecchia	54533	1636	2593	550	815	6680	66806.51
Simeone	54533	3272	2668	550		8034	69056.7
Spinelli	54533	3272	2668	550	838	3140	65000.7
Terranova	54533	3272	2668	550		8034	69056.7
Vicchio	54533	3272	2668	550	838	8034	69894.7
Vitale	30900		1427	550	448	8034	41358.55
Yu	30900		1427	550	448	4642	37966.55
							2515131.
						Pension	268769
						Total:	2783900.

Arbitrator's Award - 1997

Exhibit H

Name	Salary	Longevity	Holidays	Clothing	Medicare	Ins.	Total
Dickman	65630	9845	3483	550		6686	86194
Linardi *	65630	10545	3516	550		8048	88289
Keane	62741	5647	3156	550		8048	80142
Maturo	62741	9411	3330	550		8048	84080
Spina	62741	9411	3330	550		6686	82718
Umland *	62741	8229	3276	550		6686	81482
Aurelio	59851	7182	3094	550		6686	77363
Badrow *	59851	4291	2960	550	930	8048	76630
Biasco *	59851	4291	2960	550	930	8048	76630
Frato	59851	4808	2984	550		8048	76241
Gaito	59851	3591	2928	550		8048	74968
Kelly *	59851	4291	2960	550	972	8048	76672
Monacelli	59851	7182	3094	550		8048	78725
Raia	59851	8978	3177	550		3145	75701
Rossillo	59851	8978	3177	550		3145	75701
Vermeal	59851	8978	3177	550		6686	79242
Winters	59851	8978	3177	550		3145	75701
Biasco	28309	0	1307	550	410	3145	33721
Becker	56442	2370	2714	550	853	6686	69615
Cinque	56442	3387	2761	550	868	8048	72056
Davis	56442	3386	2761	550	868	6686	70693
Flanagan	56442	1693	2683	550	843	4651	66862
Hardigan	56442	4537	2814	550	884	8048	73276
Haroldson	36139	0	1668	550	524	8048	46929
Ingenito	28309	0	1307	550	410	3145	33721
MacKay	36139	0	1668	550	524	8048	46929
Marano	36139	0	1668	550	524	3145	42026
Martello	56442	4537	2814	550	0	6686	71029
Oriente	56442	3387	2761	550	868	8048	72056
Russo *	56442	4086	2794	550	878	8048	72797
Sciancalp	56442	3387	2761	550	868	8048	72056
Silecchia	56442	2370	2714	550	853	6686	69615
Simeone	56442	4537	2814	550	0	8048	72391
Spinelli	56442	3387	2761	550	868	3145	67153
Terranova	56442	4537	2814	550	0	8048	72391
Vicchio	56442	3387	2761	550	868	8048	72056
Vitale	36139	0	1668	550	524	8048	46929
Yu	36139	0	1668	550	524	4651	43532
							2634313
						Pension	377885
						Total:	3012198

Comparison of Parties' proposals and Award

Exhibit 1

Year	Borough	PBA	Award	Diff/PBA	Diff/award
1996	2718695	2873405	2783900	154710	65205
1997	2869083	3168440	3012198	299357	143115