

P.E.R.C. NO. 2013-25

STATE OF NEW JERSEY  
BEFORE THE PUBLIC EMPLOYMENT RELATIONS COMMISSION

In the Matter of

NORTH HUDSON REGIONAL  
FIRE AND RESCUE,

Appellant/Respondent,

-and-

Docket No. IA-2010-099

NORTH HUDSON FIREFIGHTERS  
ASSOCIATION,

Appellant/Respondent.

SYNOPSIS

The Public Employment Relations Commission remands an interest arbitration award to the arbitrator for a supplemental award. The North Hudson Regional Fire and Rescue and North Hudson Firefighters Association cross-appealed from the award. The Commission remands the award to the arbitrator for clarification as to the base salary calculation; the retiree benefit change; the terminal leave proposal; and consideration of regulations related to vacation and terminal leave as set forth in the decision.

This synopsis is not part of the Commission decision. It has been prepared for the convenience of the reader. It has been neither reviewed nor approved by the Commission.

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Appellant/Respondent.

Appearances:

For North Hudson Regional Fire and Rescue, Scarinci & Hollenbeck, LLC (Ramon E. Rivera, of counsel and on the brief; Christina Michelson, on the brief)

For North Hudson Firefighters Association, Cohen, Leder, Montalbano & Grossman, LLC (Bruce D. Leder, of counsel)

DECISION

This case comes to us by way of cross-appeals of the North Hudson Regional Fire and Rescue and North Hudson Firefighters Association from an interest arbitration award involving a unit of approximately 167 rank and file firefighters.

Background

The Regional was created in 1998, pursuant to the Consolidated Municipal Services Act, N.J.S.A. 40:48B-1 et seq. It was formed as a Joint Meeting, which is a political subdivision of the State. It replaced the paid fire departments in Weehawken, Union City, North Bergen, West New York and

Guttenburg and was created in order to consolidate the delivery of fire and rescue services for the participating municipalities. The Regional's annual operating costs are allocated among the five participating municipalities. While the participating municipalities comprising the Regional are subject to local government expenditure and tax levy cap laws, the Regional itself is not.

#### The Award

The parties made numerous economic and non-economic proposals to the arbitrator. Those proposals which are the subject of this appeal will be further detailed herein.

The arbitrator issued a 122-page Opinion and Award.<sup>1/</sup> He awarded a contract with a term of July 1, 2009 through June 30, 2013. He awarded increases as follows: 2% for 2010 and 2011, 1.5% for 2012 and 1.0% for 2013. All increases have an effective date of January 1st. For health insurance, he awarded the Regional's proposal that all retirees shall receive the same level of health benefits as active employees and benefits in retirement are subject to change as the benefits of active employees change, effective June 30, 2013. For vacation leave, he reduced the number of firefighters that may be off on holidays

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<sup>1/</sup> The interest arbitration proceedings were not governed by the interest arbitration procedures implemented by P.L. 2010, c. 105. This Award was also not subject to the 2% base salary cap. N.J.S.A. 34:13A-16.7 (b).

and summer days, from 10 and 7 respectively, to 7 and 5 respectively, effective January 1, 2013.

### The Parties' Arguments

The Regional appeals arguing that the arbitrator failed to consider the interest and welfare of the public when he denied its retroactive payment, terminal leave, health benefits, sick leave and vacation proposals.

The Association appeals asserting generally that the arbitrator failed to apply the statutory factors. The Association also asserts that the arbitrator miscalculated the base salary for the unit for the first year of the contract, and that his rulings on vacation slots and retiree health insurance must be vacated. It also asserts that he improperly denied its proposals on union release time, longevity, and compensation for acting out-of-title.

### Statutory Factors

N.J.S.A. 34:13A-16g requires that an arbitrator shall state in the award which of the factors are deemed relevant, and provide an analysis of the evidence on each relevant factor. The statutory factors are as follows:

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

(2) Comparison of the wages, salaries, 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: P.E.R.C. No. 2013-24.

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

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

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

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

(4) Stipulations of the parties.

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

(6) The financial impact of the governing unit, its residents, the limitations imposed upon the local unit's property tax levy pursuant to section 10 of P.L. 2007, c. 62 (C. 40A:4-45.45), and taxpayers. When considering this factor in

a dispute in which the public employer is a county or a municipality, the arbitrator or panel of P.E.R.C. No. 2013-25. Arbitrators shall take into account, to the extent that evidence is introduced, how the award will affect the municipal or county purposes element, as the case may be, of the local property tax; a comparison of the percentage of the municipal purposes element or, in the case of a county, the county purposes element, required to fund the employees' contract in the preceding local budget year with that required under the award for the current local budget year; the impact of the award for each income sector of the property taxpayers of the local unit; the impact of the award on the ability of the governing body to (a) maintain existing local programs and services, (b) expand existing local programs and services for which public moneys have been designated by the governing body in a proposed local budget, or (c) initiate any new programs and services for which public moneys have been designated by the governing body in a proposed local budget.

(7) The cost of living.

(8) The continuity and stability of employment including seniority rights and 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.

(9) Statutory restrictions imposed on the employer. Among the items the arbitrator or panel of arbitrators shall assess when considering this factor are the limitations imposed upon the employer by section 10 of P.L. 2007, c. 62 (C. 40A:4-45.45). [N.J.S.A. 34:13A-16g]. P.E.R.C. No. 2013-26.

Standard of Review

The standard for reviewing interest arbitration awards is well established. We will not vacate an award unless the appellant demonstrates that: (1) the arbitrator failed to give "due weight" to the subsection 16g factors judged relevant to the resolution of the specific dispute; (2) the arbitrator violated the standards in N.J.S.A. 2A:24-8 and -9; or (3) the award is not supported by substantial credible evidence in the record as a whole. Teaneck Tp. V. Teaneck FMBA, Local No. 42, 353 N.J. Super. 298, 299 (App. Div. 2002), aff'd o.b. 177 N.J. 560 (2003), citing Cherry Hill Tp., P.E.R.C. No. 97-119, 23 NJPER 287 (¶28131 1997). Because the Legislature entrusted arbitrators with weighing the evidence, we will not disturb an arbitrator's exercise of discretion unless an appellant demonstrates that the arbitrator did not adhere to these standards. Teaneck, 353 N.J. Super. At 308-309; Cherry Hill.

Arriving at an economic award is not a precise mathematical process. The treatment of the parties' proposals involves judgment and discretion and an arbitrator will rarely be able to demonstrate that an award is the only "correct" one. See Borough of Lodi, P.E.R.C. No. 99-28, 24 NJPER 466 (¶29214 1998). Some of the evidence may be conflicting and an arbitrator's award is not necessarily flawed because some pieces of evidence, standing alone, might point to a different result. Lodi. Therefore,

within the parameters of our review standard, we will defer to the arbitrator's judgment, discretion and labor relations expertise. City of Newark, P.E.R.C. No. 99-97, 26 NJPER 242 (¶30103 1999). However, an arbitrator must provide a reasoned explanation for an award and state what statutory factors he or she considered most important, explain why they were given significant weight, and explain how other evidence or factors were weighed and considered in arriving at the final award. N.J.S.A. 34:13A-16g; N.J.A.C. 19:16-5.9; Lodi.

### Analysis

#### Application of Statutory Factors Generally

The Association's general claim that the arbitrator failed to apply the statutory factors largely amounts to a dissatisfaction with the Award. The Association does not identify any evidence that the arbitrator failed to consider, but merely restates the same arguments it made to the arbitrator. The arbitrator directly addressed the Association's arguments in the Award. Nonetheless, we will briefly comment on the Association's arguments.

The Association asserts that the interest and welfare of the public does not support the salary award, and there is no balance between the employees' desires to have better wages and the public's desire to have reasonable costs. The arbitrator properly considered all of the Association's arguments on this



issue. The arbitrator placed substantial weight on the interests and welfare of the public. He recognized that due to retirements and current legal restraints on the Regional's hiring, there was a decline in the total amount of compensation paid between 2009 and 2011. However, he did not find that such a finding weighed in favor of higher salary increases than those awarded for numerous reasons. He found that some of the reduction in salary costs are balanced by the substantial terminal leave payments that have accompanied retirements, as well as by increased overtime necessitated by the reduction in the number of firefighters. He also found that it likely that recruitment will resume at some point.

The Association asserts that the Award does not have any adverse financial impact or would cause the Regional's member municipalities to exceed any statutory restrictions imposed on them. The Association's assertions are consistent with the arbitrator's findings, who provided a comprehensive analysis on this issue. He recognized that due to the composition of the Regional, it is indirectly subject to the same financial pressures as the local governments of which it is comprised. He found that the economy as a whole is still emerging from a deep recession and continues to be marked by high unemployment and a depressed housing market. He reviewed the Regional's operating revenue and found that it ended 2010 with an operating deficit

and acknowledged that it still owes \$800,000 in terminal leave payments. He considered the cost of increments which he approximated at \$157,505 for each year of the Agreement. However, he found that with an annual budget of over \$55,000,000, the Regional has sufficient budgetary flexibility to fund the modest salary increases that will cost \$77,448 more than what it proposed.

The Association also argues that the awarded increases are not supported by the comparables cited by the arbitrator. The arbitrator adequately explained his consideration of the comparables. Relying on the Regional's comparables, which he found provided a broader perspective, he found that the salaries in North Hudson are in the average range for firefighters. He found that this unit's compensation was enhanced by holiday pay, while other municipalities had terminated holiday pay and folded it into base salary, or given compensatory time in lieu of holidays worked. The Association again raises the issue that the fire officers and the police officers in three of the Regional's municipalities received salary increases of 4%, which the arbitrator directly addressed in the Award. He acknowledged that internal settlements patterns are ordinarily awarded great weight, but found that those agreements were negotiated before the Regional and the municipalities began to feel the full impact of the recession, State aid cuts, and the new CAP legislation.

He also found that the municipal agreements have a 2006 or 2008 start date, and the fire officer has a 2004 start date.

Additionally, he found that this agency's salary analysis reflects a downward trend in the average increase and reflected deferred increases, zero increases, increases at the top step only, various adjustments to salary guides, and no retroactive increases.

The Association also argues that the cost of living factor supports a larger increase. The arbitrator explained that he gave this factor some weight, and acknowledged that this factor, standing alone, might point to higher across-the-board increases. But he ultimately placed greater weight on the factors pertaining to the public interest, comparisons with other employees, financial impact, and continuity and stability of employment. He also noted that the consumer price index included increases in medical costs which are still borne largely by the Regional.

#### Calculation of Base Salary

The Association asserts that the arbitrator miscalculated base salary at \$14,000,000 annually for the period June 30, 2009 through July 1, 2011. It asserts that the arbitrator relied only on an assertion made in the Regional's brief in making this calculation. It further contends that Exhibit J-6 sets out that base salary for July 2009 through June 2010 was \$15,087,267 and \$14,742.970 for July 2010 through June 2011 and that and R-18

establishes that base salary as of July 1, 2009 was \$16,655,669. The Regional asserts that the \$14,000,000 figure cited by the arbitrator was an approximation. In Cumberland County Prosecutor, P.E.R.C. No. 2012-66, \_\_\_ NJPER \_\_\_ (¶ \_\_\_ 2013), we found that all interest arbitration awards, even those not subject to the 2% base salary cap, should cost both step movement and salary increases for each year of the contract. The arbitrator did that here, but there is conflicting evidence in the record regarding base salary figures. Therefore, we remand this issue to the arbitrator to provide clarification on the source of the base salary figure that he relied on, and, if necessary, to recalculate the step movement and salary increase for each year of the contract. If there is not reliable evidence in the record with regard to the base salary calculation, the arbitrator should require that the Regional provide him with a scattergram.

#### Vacation Scheduling

The current provision in the Agreement pertaining to vacation scheduling provides that on all holidays and summer days, 10 firefighters may be off on vacation, and all other times 7 firefighters may be off on vacation. The Regional proposed to have the figures changed to seven and five, respectively, which the arbitrator awarded. The arbitrator found that the Regional justified its need for the change because with the current

complement of firefighters, it is five firefighters short on every shift and is in need of overtime almost every day, and that summer is a difficult time to ensure adequate staffing.

The Association asserts that the arbitrator's findings are undercut by Exhibit R-23 which shows that between 2009 and 2011, there was a slight reduction of firefighters off on any given day. The arbitrator directly addressed this argument and found that because unit size also declined during this period, it did not negate the Regional's concern that the current 10/7 figures can impede its ability to properly staff all companies and shifts. We find that the arbitrator justified this change based on substantial credible evidence in the record.

#### Health Benefits

The Regional proposed to provide health insurance coverage that mirrors the State Health Benefits Plan, and that new hires who retire will receive health benefits at the same level as active employees with no dependant coverage. The arbitrator declined the Regional's proposal, except with regard to future retirees, who he set out would receive health benefits at the same level as active employees. The arbitrator made this part of the Award effective for June 30, 2013.

The Regional argues that the arbitrator failed to provide due weight to the actual costs of health premiums, and that it is prejudiced by the effective date of June 30, 2013, since many

firefighters retired during the time of the contract. The Association argues that there is nothing in the record which supports this portion of the Award.

The arbitrator properly explained his reasoning for not switching to the SHBP. He acknowledged the testimony of the Regional's insurance broker which set forth that a plan modeled on the SHBP would cost less than the existing plan, but found that when considering the Award as whole, including the lower salary increases than would likely have been awarded in a more favorable climate, a change in health insurance coverage was not warranted.

With regard to the Regional's proposal that retiree coverage exclude dependents, the arbitrator found it was not supported since firefighters have physically rigorous jobs and are eligible to retire after 25 years of service, and thus have a strong interest in retiree health benefits that cover themselves and their dependents. Additionally, he found that this proposal would not result in tangible cost savings for 25 or more years and that retired firefighters in comparable jurisdictions receive retiree health benefits that includes eligible dependents.

With regard to awarding that future retirees shall receive the same health coverage as those provided to active employees and will change when the coverage for the active group changes, he found that in the evolving health care environment, it will

eliminate potential difficulties in securing coverage that tracks requirements that were negotiated many years in the past.

However, the arbitrator did not explain what evidence he relied on in making this determination, or why he made this change effective on June 29, 2013. We remand on this issue for the arbitrator to explain the rationale for this change and its effective date.

#### Union Release Time

Both parties made proposals with regard to the union leave provision of the contract. The provision as it is currently written provides up to three authorized Association representatives with reasonable time off with pay to attend Association business. The Regional proposes to reduce from four to two the number of elected officers who are entitled to paid time off to attend designated conventions, and to limit such leave time to 200 hours, at which point one employee would be allowed time off to attend some conventions, as long as the leave does not result on overtime. The Association sought to expand the definition of Association business and delete the reference to "three" Association representatives. The arbitrator declined to award either proposal.

The arbitrator's denial of the proposals was due in part to the contract sections at issue being the subject of pending unfair practice charges before this agency. In August 2009, the

Association filed an unfair practice charge that resulted in a settlement agreement that governed the type of union leave time provided for in the Agreement, and provided, among other things, for 400 hours per year of union release time. In August 2011, the Association failed another unfair practice charge that the Regional had filed to comply with the terms of the settlement agreement when it denied firefighter requests to attend a State convention and FMBA monthly meetings. This matter is still pending.

We do not agree with the arbitrator supporting his denial of the parties' proposals due to the pending litigation before this agency. However, he also denied the proposals due to a lack of information. He found the record did not include any particularized information about how often and for what purposes leave time has been sought. He also found that he could not evaluate the claim that the 400 hour cap on the settlement agreement should be abandoned in favor of more general language affording the Association "reasonable" time off. He found that there was no evidence in the record to support the assertion that union leave results on "outrageous" overtime, and noted that some of the overtime is due to the Regional's inability to hire and also found no evidence that the Association had abused union leave. We find that he adequately explained his rationale for denying the union leave proposals.



Longevity

The current contract provides for two longevity schedules. For firefighters employed by the former municipalities, a firefighter is eligible for longevity ranging from 4% beginning with a fifth year of service to 14% beginning with the twenty-fifth year of service. Firefighters employed on or after regionalization are eligible for longevity beginning at the fifth year of 2% and reaching a maximum at the twenty-third year of 9%. The Regional sought to lower longevity for new hires. The Association proposed to increase longevity after twenty years from 7% to 9% and from 9% to 11% commencing the twenty-third year for firefighters employed on or after regionalization. Both proposals were denied. The Regional asserts that the arbitrators's failure to award the Regional's longevity proposals for new hires will have a negative financial impact on the Regional's operational budget. The Association argues that the arbitrators decision to reject its proposal was not supported by substantial credible evidence in the record.

The arbitrator provides various reasons for denying the Regional's proposal. He found the longevity benefit to be an integral part of the unit's overall salary. He found that the proposal should be denied when it is considered in the context of the award as a whole, specifically the moderate across-the-board increases. He found that if he awarded the Regional's proposal

it would erode the unit's benefit structure for new hires and impair its ability to recruit new firefighters.

When considering the Regional's core comparison group of 12 municipalities, he found that all but one, whose top-step firefighter salary for 2011 was well above that in other jurisdictions, offered a longevity benefit to their firefighters. He also found that comparables showed that the initial and maximum longevity benefit for this unit was at the low end of the spectrum. He acknowledged that former municipal firefighters receive greater longevity than those hired after regionalization, but found that this alone did not provide a justification for decreasing the benefit for new hires to a level below that prevailing in comparable jurisdictions or increasing the benefit for firefighters hired after regionalization. He was reluctant to add costs to the existing benefit structure during the contract term, and found that uniformity across all benefit and salary items will not be achieved until this unit is comprised solely of firefighters hired on or after regionalization. We find that the arbitrator's decision not to award either parties' proposal on longevity was supported by substantial credible evidence in the record and there is no evidence that doing so would have a negative financial impact on the Regional.

Acting Pay

The Association sought to have acting pay changed from \$500 for each acting assignment to \$300 for each 24-hour period that a firefighter assumes the position of captain due to either a vacancy in the position or a medical leave of more than two days. The arbitrator denied its proposal, and it asserts that there is no justification for that denial. The arbitrator supported the denial based on his hesitance to add to the Regional's annual costs beyond the across-the-board increases he awarded. He also found that the Association did not meet its burden of justifying the proposal because there was no evidence in the record as to how often the average firefighter serves in an acting capacity, or how frequently firefighters serve in an acting capacity on a long term basis where the employee's interest in additional compensation is stronger. He also found that the Regional has promoted additional firefighters to the position of captain in an effort to reduce reliance on out-of-title assignments. The arbitrator adequately explained his rationale for denying the Association's proposal on acting pay.

Terminal Leave

The current terminal leave provision provides that all unused accumulated sick and vacation leave days shall be put into a terminal leave bank. It also specifies that an employee shall only be paid in accordance with the caps and rate systems. For

firefighters hired on or after regionalization, unused accumulated sick leave and vacation days are payed up to a maximum of \$120 per twenty-four hour day, up to a maximum benefit of \$15,000. For firefighters formerly employed by one of the constituent municipalities, they receive payment for eligible days as provided in the municipalities collective bargaining agreement which employed that employee at time of regionalization.

The Regional proposed to define terminal leave as consisting of unused sick leave only; to freeze existing accumulated terminal leave benefits over \$15,000 at the value fixed and calculated as of January 1, 2012; and to stagger the payment schedule for terminal leave payments over a period for up to five years after retirement, depending on the size of the terminal leave obligation. The arbitrator denied all of the Regional's proposals, and it argues that he did not consider the interest and welfare of the public in doing so.

Regarding the freeze on leave accumulations, the arbitrator found that the record does not indicate how many employees the proposed change would affect, nor does it include any projections as to how much the Regional would likely save by virtue of the proposal's implementation. He also found it was unclear how the proposed new "freeze" provision would mesh with the existing provision. The current contract language pertaining to the

firefighters who were formerly employed by one of the constituent municipalities has been in effect for over ten years and was one facet of the complex process of merging five fire departments into one during regionalization. While the Regional asserts that the arbitrator did not consider comparables or recent trends, the Award shows otherwise. The arbitrator found that the Regional failed to show a trend of freezing accumulated terminal leave benefits above \$15,000, and found four of the comparable jurisdictions cited by the Regional have terminal leave benefits that could generate substantial terminal leave payments. He also found the proposal was more restrictive than those that pertain to police officers in constituent municipalities. He found that while the benefits under the municipal agreements have led to large payments, those payments are already being phased out over time and continuation of the municipal schedule was one part of the merger process. There is one comparable cited by the Regional that the arbitrator did not address. The Regional asserts that the Fire Officers Association agreed to accept a terminal leave agreement that was identical to the one it proposed to the unit herein. On remand, the arbitrator should address this comparable and explain whether it changes his analysis.

With regard to eliminating vacation leave from the terminal leave bank, the arbitrator denied this proposal because he found

that a firefighter could be denied compensation for forfeited vacation time, even if operational constraints prevented him or her from using the time during the year in which it was earned, or the ensuing year. He found that the record did not contain enough information as to the ease with which firefighters are able to schedule vacation leave. The Regional also asserts that the arbitrator failed to recognize that allowing vacation time to be included in terminal leave is in violation of N.J.S.A. 11A:6-3(e). That statute states, in pertinent part, as follows:

Vacation not taken in a given year because of business demands shall accumulate and be granted during the next succeeding year only; except that vacation leave not taken in a given year because of duties directly related to a state of emergency declared by the Governor may accumulate at the discretion of the appointing authority until, pursuant to a plan established by the employee's appointing authority and approved by the commission, the leave is used or the employee is compensated for that leave, which shall not be subject to collective negotiation or collective bargaining.

The arbitrator addressed the relevance of this statute in response to an Association proposal regarding banking vacation leave. However, the arbitrator did not address this statute in relation to the Regional's proposal that vacation leave be excluded from terminal leave. Therefore, on remand, the arbitrator should consider this statute in relation to the Regional's proposal to exclude vacation leave from terminal leave.

With regard to the staggering of terminal leave payments, the arbitrator found that the Regional did not meet its burden of showing that its proposal was warranted because it did not submit any particularized information as to how many terminal leave payments would trigger the staggered schedule. He also noted that the Regional has exercised its authority under N.J.S.A. 40A:4-53(h) to stagger certain terminal leave payments over a five-year period, although the ability of the Regional to do so without negotiations is currently the source of pending litigation at this agency. Nonetheless, the arbitrator cannot consider evidence that is not in the record, and he adequately explained his reasoning for denying the proposal.

#### Retroactive Pay

The Regional's final offer included a retroactive payment schedule for payments due under the Agreement - - the first payment to be due in 60 days of the award, the second within 30 days of the one year anniversary of that date; and the third within 30 days of the two year anniversary of the first payment. The Regional argues that the arbitrator failed to consider the cost implications of not awarding its retroactive pay proposal. We disagree. The arbitrator considered the cost implications and found that the Regional should have reasonably planned for possible retroactive payments under the Award, especially given the modest increases that were awarded. An employer should plan

for potential retroactive salary payments due under an award, just as it must anticipate other potential expenses in the budget planning process. Essex Cty., P.E.R.C. No. 2005-52, 31 NJPER 86 (¶41 2005). He found that the amounts owed are not greater than the amounts that should have been anticipated. Moreover, most of the contract term has already elapsed weighed in favor of making all increases retroactive to their effective date. Under the employer's proposal, the final retroactive payments would not occur until September/October 2014, well after the expiration of the contract term. Most notably, he found that the awarded salary increases will not have a negative effect on the statutory restrictions of the Regional, the Regional's constituent municipalities or the residents and taxpayers served by the Regional.

The Award is remanded to the arbitrator to provide clarification and/or his findings with regard to the following issues:

- 1) the source of the base salary figure that he relied on, and, if necessary, recalculation of the step movement and salary increase for each year of the contract;
- 2) the evidence relied on in making the retiree health benefit change and the effective date for that change;
- 3) the Fire Officers Association agreement as a comparable with regard to the Regional's proposals on terminal leave; and
- 4) consideration of N.J.S.A. 11A:6-3(e) in conjunction with the Regional's proposal that vacation leave be excluded from terminal leave.



ORDER

The award is remanded to the arbitrator for a supplemental award within 45 days of this decision in accordance with the directives in this decision. Any additional appeal by the parties must be filed within seven calendar days of service of the supplemental award.

BY ORDER OF THE COMMISSION

Chair Hatfield, Commissioners Broudreau, Bonanni, Eskilson, Voos and Wall voted in favor of this decision. None opposed. Commissioner Jones was not present.

ISSUED: October 1, 2012

Trenton, New Jersey