## MINUTES OF SPECIAL MEETING NEW JERSEY PUBLIC EMPLOYMENT RELATIONS COMMISSION

May 5, 2011 10:00 a.m.

495 West State Street Trenton, New Jersey

The meeting was called to order by Chair P. Kelly Hatfield.

Present by telephone were:

Commissioners:

John Bonanni
Patrick V. Colligan
Adrienne E. Eaton
John Eskilson
Sharon Krengel
Paula B. Voos

Also present were:

Mary E. Hennessy-Shotter, Deputy General Counsel Don Horowitz, Deputy General Counsel Christine Lucarelli-Carneiro, Deputy General Counsel Annette Thompson, who acted as Stenographer

At the commencement of the meeting, Chair Hatfield, pursuant to section 5 of the Open Public Meetings Act, entered this announcement into the minutes of the meeting:

Adequate notice has been provided by the dissemination of a written "Notice of Special Meeting."
On May 2, 2011 a copy of such notice was:

- (a) prominently posted in a public place at the offices of the Public Employment Relations Commission;
- (b) sent to the business offices of the Trenton Times, the Bergen Record, and the Camden Courier Post, as well as to the State House press row addresses of 25 media outlets;
- (c) mailed to the Secretary of State for filing; and
- (d) posted on the agency's web site.

A roll call was initiated to confirm all Commissioners were present on the telephone. Commissioner Eskilson confirmed that he was present but would be recusing himself from participation.

The first item for consideration was Hunterdon County Sheriff's Office and FOP Lodge 94, Docket No. IA-2009-103. Commissioner Colligan moved the draft decision and Commissioner Eaton seconded the motion. Commissioner Eskilson recused himself based on his relationship with one of the attorneys involved in this case. Commissioner Bonanni stated that he has strong concerns with the draft decision and is not inclined to vote in favor of it. He does not understand how the County can operate under this award given the restrictions imposed by mandated caps on public employer budget increases. Commissioner Hatfield stated that as a public member of the Commission, she finds this award to be troubling. She continued by stating that this award is the poster child for why the legislature sought to amend the interest arbitration law which imposes a 2% cap on base salaries which includes increments. The Arbitrator in this case may have done his diligence under the old law, but did so with blinders on as to the current economic realities in 2011. Chair Hatfield stated that she was concerned with awarding a 6% salary guide increment which goes into effect 8 months from now, which makes no sense, plus his award was based on turnover rate data from 1996 to October of 2008, pre-recession data, when unemployment

went as low as 3.7% and hovered at 5%. Today its almost double at 9.3% and hundreds of police officers have been laid off across the state due to lack of resources and revenues. She concluded by stating that as a public member of this Commission she finds this award unfortunate. Commissioner Krengel stated she has more or less the opposite reaction to the Chair. She felt that the explanation in the decision was clear about why the arbitrator's award would make sense, even apart from the limitations placed on the Commission about the manner in which we review an interest arbitration award. Commissioner Krengel discussed some of the specific language of the draft decision. She indicated that the sentence on page 2 of the draft that reads "we question the arbitrator's decision in the current economic climate," is troubling and seemed to undermine the draft decision which affirms the award.

Commissioner Voos stated she agrees with Commissioner Krengel, in particular, her comments about the sentence on the top of page 2. She said that we do not want to evaluate the substantive merits of each and every interest arbitration case and substitute our judgement for those of the arbitrators.

Commissioner Voos made a motion to strike the following sentence on page 2, "we question the arbitrator's decision to award a new salary schedule with automatic increments in the current economic climate."

Commissioner Bonanni said he understands and respects what each Commissioner is saying, but he believes the sentence expresses a valid concern because there are ramifications extending beyond just this unit in that county. He would like to see the sentence included in the draft. Commissioner Krengel seconded the motion to strike the sentence. The draft decision was amended to incorporate the changes recommended by Commissioner Voos. The motion to eliminate the sentence from the draft decision was approved by a vote of four in favor (Commissioners Colligan, Eaton, Krengel and Voos) and two opposed (Chair Hatfield and Commissioner Bonanni). The Commission then voted on the motion to adopt the draft decision as amended. The motion to adopt the draft decision was approved by a vote of four in favor (Commissioners Colligan, Eaton, Krengel and Voos) and two opposed (Chair Hatfield and Commissioner Bonanni).

Commissioner Colligan made a motion to adjourn the meeting and Commissioner Bonanni seconded the motion. The motion was unanimously approved. The meeting was then adjourned.