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ILLINOIS LABOR RELATIONS BOARD
INTEREST ARBITRATION

Before
PETER R. MEYERS
Arbitrator

In the Matter of the Interest Arbitration between:

ILLINOIS FRATERNAL ORDER OF POLICE LABOR COUNCIL,

Union,

And

CITY OF LOVES PARK AND LOVES PARK POLICE DEPARTMENT,

Employer.

Case No. **S-MA-01-160**

(2001 – 2004 Contract)

DECISION AND AWARD

Appearances on behalf of the Union

Katherine A. Paterno—Attorney
Greg Kindred—Bargaining Unit Member
Lori DePauw—Bargaining Unit Member
Cindy Dunaway—Bargaining Unit Member
Russell Vogt—Field Representative
David Mace, Jr.—Bargaining Unit Member

Appearances on behalf of the Employer

David J. Kurlinkus—Attorney
Patrick Carrigan—Chief of Police
James Puckett—Deputy Chief
Richard Brinker—Alderman
A. Marie Holmes—Alderman
Richard Jones—Telecommunications Supervisor

This matter came to be heard before Arbitrator Peter R. Meyers on the 22nd day of April 2002 at the Loves Park City Hall, Loves Park, Illinois. Ms. Katherine A. Paterno presented on behalf of the Union, and Mr. David J. Kurlinkus presented on behalf of the Employer.

Introduction

The parties in this matter are the Illinois Fraternal Order of Police Labor Council (hereinafter "the Union"), representing police sergeants, police officers, and telecommunicators, and the City of Loves Park, Illinois (hereinafter "the City" and/or "the Employer"). The parties' prior collective bargaining agreement had an effective term from May 1, 1998, through April 30, 2001. The parties have engaged in extensive collective bargaining negotiations in an effort to develop a new collective bargaining agreement, and they have reached agreement on most of the issues they have discussed during their negotiations. Certain issues, however, remain unresolved.

Pursuant to Section 14 of the Illinois Public Labor Relations Act (hereinafter "the Act"), the Union timely filed a request for interest arbitration as to these unresolved issues. Accordingly, this matter came to be heard before Independent Arbitrator Peter R. Meyers on April 22, 2002, in Loves Park, Illinois. The parties subsequently filed written, post-hearing briefs in support of their respective positions on the issues that remain in dispute.

Relevant Statutory Provision

ILLINOIS PUBLIC LABOR RELATIONS ACT
5 ILCS 315/1 et seq.

Section 14(h) Where there is no agreement between the parties, or where there is an agreement but the parties have begun negotiations or discussions looking to a new agreement or amendment of the existing agreement, and wage rates or other conditions of employment under the proposed new or amended agreement are in dispute, the arbitration panel shall base its findings, opinions and order upon the following factors, as applicable:

(1) The lawful authority of the employer.

(2) Stipulations of the parties.

(3) The interests and welfare of the public and the financial ability of the unit of government to meet those costs.

(4) Comparisons of the wages, hours and conditions of employment of the employees involved in the arbitration proceeding with the wages, hours and conditions of employment of other employees performing similar services and with other employees generally:

(A) In public employment in comparable communities.

(B) In private employment in comparable communities.

(5) The average consumer prices for goods and services, commonly known as the cost of living.

(6) The overall compensation presently received by the employees, including direct wage compensation, vacations, holidays and other excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment and all other benefits received.

(7) Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.

(8) Such other factors, not confined to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours and conditions of employment through voluntary collective bargaining, mediation, fact-finding, arbitration or otherwise between the parties, in the public service or in private employment.

Impasse Issues in Dispute

Prior to the hearing in this matter, the parties agreed that the following issues remain in dispute, and that these issues are hereby submitted for resolution by the Independent Arbitrator:

1. Forfeiture of Sick Time
2. Vacation Eligibility and Pay
3. Wages
4. Training
5. Stand-By Time

6. Shift Differential -- Telecommunicators

Discussion and Decision

The City of Loves Park, Illinois, covers a geographic area of about seventeen square miles, bordering Rockford, Illinois. Loves Park includes approximately 125 municipal streets, as well as development property along Route 173 and Riverside Boulevard and a corridor of I-90. The City's population is about 20,444, while it has seventy-seven full-time employees and eighty-six part-time employees.

Of the seventy-seven full-time employees, thirty-six are in the Police Department bargaining unit in question here. The bargaining unit is comprised of police officers, sergeants, and telecommunicators, and these employees perform traditional police and dispatcher functions. The evidentiary record indicates that minimum staffing of patrol officers varies with the time of day; from 8:00 a.m. to 4:00 p.m., minimum staffing is three patrol officers, while it is two patrol officers during the overnight hours. Police officers also are assigned to work within units that perform duties other than patrolling; these units include a detective bureau and a drug unit. The record reveals that most officers and sergeants follow a rotating shift system and are scheduled to work 84 hours within each two-week pay period. The record further reveals, however, that these officers are required to schedule four hours off per pay period to avoid the payment of overtime, which is contractually defined as hours worked over 80 within a single pay period. The telecommunicators are scheduled to work eight-hour shifts on Monday through Friday, but the evidence establishes that these employees typically work over or are called in during other shifts. In addition, telecommunicators work without any lunch or regularly scheduled breaks.

The parties have been able to resolve all outstanding collective bargaining issues between them, with the exception of the six issues that they have submitted here. The issues still in dispute involve forfeiture of sick time, vacation eligibility and pay, wages, training, stand-by time, and shift differential for the telecommunicators, all of which are economic in nature pursuant to Section 14(g) of the Act. Accordingly, this Arbitrator shall select either the Employer's or the Union's final offer on each of these issues. It must be noted that the parties have not agreed that this Arbitrator may consider their respective final offers on the issue of wages on a year-by-year basis; instead, each party's final offer on wages shall be considered as a single, three-year package that must be either accepted or rejected as a whole.

Section 14(h) of the Act sets forth eight factors that an arbitrator is to consider in analyzing competing proposals in an interest arbitration. As evidenced by the express language of Section 14(h), however, not all of the eight listed factors will apply in each case, or with equal weight. It therefore is necessary to determine which of the statutory factors do apply to the instant proceeding.

The Employer's lawful authority does not appear to be at issue here, and the parties' stipulations, which are set forth in their written Submission Agreement, relate more to procedural matters than to the substantive merits of the issues remaining in dispute. Both parties have cited data from internal and external comparables, particularly with respect to the wage issue, and such evidence often is very useful in resolving disputed economic issues. The cost of living must be considered, in varying degrees, in connection with most or all of the impasse issues presented here, while continuity and stability of employment, as well as a consideration of overall

compensation and benefits, serve as the foundation that shall guide this Arbitrator's consideration of the issues in dispute.

In connection with the Employer's ability to pay, it appears that this statutory factor is not directly at issue in connection with the projected impact of the parties' respective final offers on the remaining economic issues. It nevertheless must be noted that the Employer does not impose residential real property taxes, so its revenue significantly depends upon sales taxes. As discussed more completely below, this affects any calculation of the Employer's probable revenue stream during the term of the collective bargaining agreement at issue here. As for the remaining statutory factor, the public's interest and welfare cannot be left out of any analysis of the issues to be resolved in this proceeding.

As for the proper identification of appropriate external comparables, the evidentiary record reveals that the parties' first collective bargaining agreement was implemented in 1989, and the contract currently at issue will be the parties' fifth. At least one of the parties' prior collective bargaining agreements was implemented following an interest arbitration proceeding. In that prior proceeding, which dealt with the parties' 1995-98 contract, Arbitrator Herbert M. Berman followed a painstaking and detailed analysis in developing a list of communities to serve as external comparables for the City of Loves Park. These communities are the City of Freeport, the City of Dixon, the City of Belvidere, the City of Woodstock, and the City of Sycamore, all within the State of Illinois.

The Union proposes using these same communities as external comparables in this proceeding, while the Employer proposes using the City of Sterling in place of the City of

Woodstock. The Employer contends that Woodstock does not represent a relevant, valid comparable because it currently is in the process of negotiating a contract with its own police department. The Employer points out that in presenting wage figures from the Woodstock contract, which expired in 2001, the Union arbitrarily added 4% to the wages from that contract. The Employer maintains that there is no valid basis for adding any percentage to the Woodstock wages, and the Union's addition of 4% to the previous wage rate results in invalid figures that are among the highest of the comparables that the Union has submitted. The Employer emphasizes that the City of Sterling, geographically located next to the Dixon, shares many characteristics with Dixon, thus making it an acceptable comparable that should be considered in place of Woodstock. The Employer asserts that even if Woodstock is used as an external comparable here, then it should be given less weight than the other comparables, all of which are operating under valid and existing contracts.

The demographic and other data that the parties submitted into the record supports the use of the same external comparables, including the City of Woodstock, that previously have been used in interest arbitration proceedings between these two parties. The evidentiary record does not support a departure from Arbitrator Berman's thoughtful analysis of these communities as appropriate external comparables. Except for the matter of the Union's addition of a 4% annual increase after 2001 to Woodstock's wage data, which is discussed more specifically below, the City of Woodstock represents a valid external comparable with respect to current wage levels, benefits of employment, and other contractual terms. As for the Employer's proposal of using the City of Sterling instead of the City of Woodstock as an external comparable, there is

insufficient demographic data in the record to support such a change.

There is merit to the Employer's contention that it is appropriate to avoid any projection of Woodstock's wage data in this particular proceeding because Woodstock's contract with its police department expired in 2001, and it now is negotiating a new contract. Under these circumstances, there is no evidentiary foundation for the Union's decision to present Woodstock's wage data with a projected 4% annual increase after 2001, and these projected wage levels for Woodstock's employees in its Police Department shall not be used here.

As for internal comparables, the evidentiary record establishes that there is just one other bargaining unit among the Employer's employees, and this other unit is comprised of the City's employees in the Streets and Water Departments, represented by Local 150 of the International Operating Engineers. It appears that an internal comparison with this other bargaining unit will be relevant with respect to several of the issues remaining in dispute between these two parties.

What follows is an analysis of each of these disputed issues in turn, in light of the applicable statutory factors, the evidence, and the parties' arguments in support of their respective proposals. It must be emphasized, again, that because all of the remaining issues in dispute are economic in nature, this Arbitrator is bound, in accordance with Section 14(g) of the Act, to select the final proposal of one or the other party on each issue as the appropriate language to include within the parties' new collective bargaining agreement. Moreover, because the resolution of the wage issue will have an impact upon the analysis and resolution of all the remaining issues, the wage issue shall be addressed first, with all the other issues considered in the order in which they will appear in the parties' contract.

1. Section 6.1 Wage Schedule, Appendix A

The Union's final proposal on the issue of wages is as follows, with all wages retroactive to May 1, 2001:

Patrol Officer Annual Salary Schedule

	5% 5/1/01	5% 5/1/02	5% 5/1/03
Start	$30,369	$31,888	$33,482
After 1 Year	$31,326	$32,892	$34,537
After 2 Year	$32,282	$33,896	$35,591
After 3 Year	$33,237	$34,899	$36,643
After 4 Year	$34,193	$35,903	$37,698
After 5 Year	$35,150	$36,908	$38,753
After 6 Year	$36,486	$38,310	$40,226 (3.8%)
After 7 Year	$37,872	$39,766	$41,755
After 10 Year	$41,852	$43,661	$45,844
After 15 Year	$43,414	$45,858	$47,864

Sergeant Annual Salary Schedule

All Sergeants, regardless of their years of service, shall receive an annual salary equivalent to 13% above the patrol officer annual salary at the "After 15 Years of Service" Step, equivalent to the following:

5/1/01	5/1/02	5/1/03
$49,058	$51,511	$54,087

Telecommunicator Annual Salary Schedule

	5% 5/1/01	5% 5/1/02	5% 5/1/03
Start	$26,190	$27,500	$28,875
After 1 Year	$27,238	$28,600	$30,030
After 2 Year	$28,372	$29,791	$31,280
After 3 Year	$29,334	$30,801	$32,341
After 4 Year	$30,090	$31,899	$33,494

After 5 Year	$31,429	$33,000	$34,650
After 6 Year	$31,900	$33,495	$35,170 (1.5%)
After 7 Year	$32,379	$33,997	$35,698
After 10 Year	$33,720	$35,406	$37,176
After 15 Year	$36,273	$38,087	$39,991

The Employer's final offer on this issue is as follows:

Patrol Officer Annual Salary Schedule

	5% 5/1/01	5% 5/1/02	5% 5/1/03
Start	$30,080	$31,283	$32,534
1 Year	$31,027	$32,268	$33,559
2 Years	$31,975	$33,254	$34,584
3 Years	$32,920	$34,237	$35,606
4 Years	$33,868	$35,222	$36,631
5 Years	$34,815	$36,208	$37,656
10 Years	$41,186	$42,834	$44,547
15 Years	$43,001	$44,721	$46,510

Sergeant Annual Salary Schedule

All Sergeants, regardless of their years of service, shall receive an annual salary equivalent to 13% above the patrol officer annual salary at the "After 15 Year" Step, equivalent to the following:

5/1/01	5/1/02	5/1/03
$48,591	$50,535	$52,556

Telecommunicator Annual Salary Schedule

	4% 5/1/01	4% 5/1/02	4% 5/1/03
Start	$25,941	$26,978	$28,057
1 Year	$26,979	$28,058	$29,180
2 Years	$28,102	$29,226	$30,395
3 Years	$29,054	$30,217	$31,425
4 Years	$30,090	$31,294	$32,546

5 Years	$31,129	$32,374	$33,669
10 Years	$33,399	$34,735	$36,124
15 Years	$35,928	$37,365	$38,860

Before the specific details of the parties' wage proposals may be discussed, it is necessary to more directly address the factors that will shape the analysis of this issue. As previously noted, the wage data from the comparable communities is of particular importance in determining which of the two final wage proposals is more appropriate and shall be adopted. Another statutory factor that plays an important role with respect to selecting the more appropriate of the parties' wage proposals is the cost of living and the associated inflation rate.

It also is necessary to review projections of the Employer's future revenue, despite the fact that such projections often are inaccurate. Even though economic projections may be unreliable, they nevertheless provide the best means for ascertaining a party's future economic ability to handle whatever obligations have been assigned to it. In this particular case, because the Employer does not impose any taxes on residential real property, a projection of its future revenues is especially important. The Employer's reliance on sales tax for much of its income means that the general state of the economy likely will have an important impact upon its revenue stream; as opposed to most municipalities in the State of Illinois, Loves Park heavily depends on the spending habits of consumers. This also means that the Employer's revenues may be more volatile than for those municipalities that do assess a residential real property tax, particularly during difficult economic times. The Employer's fiscal data shows the impact of the poor economy during the past year or so, including a decline in its General Fund Revenues for FY 2002.

As the parties' respective wage schedules reveal, the competing wage proposals differ as to the percentage increase that is to apply in each year of their new contract, as well as in the step structure, with the Union's proposal calling for the incorporation of new wage steps at the sixth and seventh years of employment. Under the Union's proposal, the addition of new steps to the wage schedule does not necessarily involve, during the term of the parties' new contract at least, a larger percentage wage increase for the most senior employees. The Union has added its proposed 5% increase directly to the 2000 wage figures for the steps above the sixth and seventh steps that its proposal would create. The Employer's final proposal involves a 4% annual increase for all employees, with no new steps added to the wage structure.

The consumer price data for the past several years that has been submitted into the evidentiary record demonstrates that inflation has been running at an extremely low rate, less than 3% per year over the past five years. Both parties' wage proposals incorporate increases that are greater than the current rate of inflation. As a result, although consumer prices are an important consideration, this particular factor does not serve to identify which of the two final proposals is more appropriate.

As often is the case in wage disputes, the external comparables will make the difference here. The Union asserts that the external comparables warrant creation of new steps between the fifth and tenth year of the existing wage structure, and it argues that its proposed new steps at Years 6 and 7 address a growing wage gap between Loves Park officers and those in the externally comparable communities. Indeed, the wage data in the evidentiary record shows that such a gap does exist. Moreover, this same wage gap has been an issue between these parties in connection with prior negotiations; as Arbitrator Berman noted in the last interest arbitration

proceeding between these parties, the salary disadvantage of the Loves Park police officers, compared with those in the externally comparable communities, is a "pressing problem," and it remains one now.

The addition of a sixth and seventh step to the parties' wage structure does directly address one aspect of the pressing, and continuing, wage-gap problem: the Loves Park officers' last-place ranking among the comparables in Years 5-9 of the wage structure. The Employer's proposal to leave the wage structure untouched fails to deal with this problem at all. The necessity of making some adjustment to the wage structure in that Year 5-9 period is dramatically established by the wage data. The 2001 wage data that the Employer cites here, and includes as Exhibit I to its post-hearing brief, shows Loves Park wages, including any applicable longevity pay, rank second to last in Years 5 and 6 and last in Years 7, 8, and 9. It must be noted that there is no indication in this data whether longevity pay is available in any of the externally comparable communities; if it is, this data does not include any longevity pay in the wage information for the comparable communities. Obviously, if longevity pay is available in any of these communities, then the wage gap is even greater than appears in the Employer's data.

Because any available longevity pay is not included in the wage data from the comparable communities, it should not be included in Loves Park's basic wage data for purposes of comparison with these other communities. As the Employer points out, annual longevity pay amounts to 2% after five years of service, 4% after ten years, 6% after fifteen years, and 8% after twenty years; adding this longevity pay to Loves Park's basic wage data therefore represents a significant distortion of the true wage rankings. Removing Loves Park's longevity pay from the comparative wage data presents a far more valid picture of where Loves Park's wages actually rank among the comparables. This approach reveals that for 2000, Loves Park ranked second to last in Year 1; in Years 2 through 9, Loves Park ranked last; beginning in Year 10, Loves Park

ranked fourth out of six.

The Union's proposed addition of steps at Years 6 and 7 also reasonably and closely pegs the 3.8% increase sought for these two new steps to the inflation rate for the period just prior to the expiration date of the parties' current contract, which was approximately 3.4%, rather than applying the 5% annual increase that the Union seeks for the existing steps in the wage structure. Moreover, the proposed addition of these two new steps does not alter the proposed wage figures associated with the higher steps in the wage structure, at least for the period covered by the new contract, because the Union applied its proposed 5% increase directly to the 2000 wage figures for the existing steps in the wage structure.

In light of the continuing wage gap that exists between the Loves Park officers and those in the externally comparable communities, particularly in the Year 5-9 period, I find that the Union's proposal to add new steps at Years 6 and 7 of the wage structure is more reasonable than the Employer's proposal to maintain the existing wage structure without any change. This part of the Employer's proposal, because it absolutely fails to address the widening wage gap in Years 5-9, would serve to exacerbate the overall wage-disparity problem during the term of the parties' new collective bargaining agreement.

As for the appropriate percentage increase applicable to the existing steps of the wage structure, the Union's proposal again is more reasonable and more fully supported by the relevant evidence than is the Employer's proposal. I find that a 5% increase, rather than the Employer's proposed 4% increase, is better calculated to decrease the continuing wage gap that exists between the Loves Park officers and those in the externally comparable communities. Given that the Employer's proposed 4% increase is close to the CPI rate as of the expiration date of the parties' prior contract, as well as the likelihood that the CPI is one of the statutory factors that likely will have a significant impact on the wage negotiations in the externally comparable

communities, a wage increase for the Loves Park officers that is so close to the CPI rate would do little to close the wage gap. As with its proposal for adding steps to the existing wage structure, the Union's proposed 5% wage increase for the existing steps in the structure represents a moderate and economical means of reducing the wage gap. I find that the Union is not over-reaching with this proposed wage increase, nor is it attempting to close that gap all at once.

The modest nature of the Union's proposed wage increase, especially when compared with the CPI, also allows for the volatility of the Employer's projected revenues, as previously discussed, while serving to accomplish some reduction in the existing wage gap. A larger wage increase would be more likely to create problems for the Employer if the economy continues its present difficulties, but the total dollar value of the 5% increase sought by the Union should be well within the Employer's ability to handle during the term of the parties' new contract. It must be noted, for example, that for the Employer's fiscal year ending April 30, 2001, revenues exceeded expenditures by more than $1,000,000.00, despite the fact that the economy began to weaken in late 2000. In addition, although the Employer's revenues for Fiscal Year 2002 dropped by about 7%, or around $500,000.00, the evidentiary record demonstrates that Loves Park's annual revenues typically have exceeded its annual expenditures, suggesting that the Employer will have the ability to pay wages, even in a weak economy, at the level proposed by the Union.

I find that the Union's overall proposal on the issue of wages serves to maintain the existing wage parity between the police officers, sergeants, and telecommunicators, while adjusting the overall wage structure so as to reduce, but not eliminate, the wage disparity between the Loves Park police officers and those in the externally comparable communities. In light of the statutory factors and the relevant evidence in the record, this Arbitrator finds that the Union's final proposal on the issue of wages is more appropriate and shall be adopted, and it is

set forth in the Appendix attached hereto.

2. Sick Pay: Section 3.1.4. Forfeiture

The Union's final offer with respect to the issue of forfeiture of sick time is as follows:

> All accrued sick time not used as of the date of separation from the employ of the City for any reason is forfeited. Sick time benefits are not earned but are a grant. Excluded from this forfeiture are those employees who retire or resign after:
>
> a) fifteen (15) years of service with the City. Upon retirement or resignation, the City will buy back the total accumulated sick time, not to exceed nine hundred sixty (960) hours at the rate of 1 hour for every 2 hours accrued.
>
> b) An employee with twenty-five (25) or more years of service with the City shall upon separation in good standing, the City shall buy back all accrued sick leave at one hundred percent (100%).

The Employer's final offer on this issue is as follows:

> All accrued sick time not used as of the date of separation from the employ of the City for any reason is forfeited. Sick time benefits are not earned but are a grant. Excluded from this forfeiture are those employees who retire or resign after fifteen (15) years of service with the City. Upon retirement or resignation, the City will buy back the total accumulated sick time, not to exceed nine hundred sixty (960) hours at the rate of one (1) hour for every two (2) hours accrued.

The Employer's final offer on this issue calls for maintaining the status quo with respect to the parties' current contract language. The Union's proposal would change this language by adding a new tier to the provision that calls for a 100% buy-back of accrued sick leave, without limit, for any employee separating in good standing from the Employer after at least twenty-five years of employment. Because it is proposing a change to the existing contract language, the Union must demonstrate a reasonable basis for making the proposed change.

The Union principally supports its proposal by arguing that it is in line with contractual

benefits currently offered in both the external and internal comparables. The Union maintains that the contract covering the Employer's Water and Sewer Treatment Plant employees, represented by Local 150 of the International Union of Operating Engineers, does not limit the number of sick leave days that may be credited to an employee's pension benefit. The Union additionally contends that four of the externally comparable communities, Dixon, Sycamore, Woodstock, and Freeport, provide for the payment of accumulated sick leave benefits upon retirement and/or separation under terms that are similar to or more generous than the Union's current proposal, sometimes in combination with pension and/or retiree health benefits.

The Union's reliance upon the different sick leave buy-back provisions among the external and internal comparables ignores some very important differences between these provisions and its own current proposal. The Employer's contract with the Operating Engineers, for example, does provide that an employee's accumulated sick leave days may be credited as days worked for purposes of pension benefits under the rules of the Illinois Municipal Retirement Fund. This provision in the Local 150 contract is not comparable to the Union's current proposal on accumulated sick leave because the Local 150 provision does not involve any monetary expenditure by the Employer, and it applies only in connection with an employee's retirement. The current language in the agreement between the parties to this proceeding provides for a cash payment by the Employer to the employee, and its application is not limited to retirement.

Similarly, the contractual provisions that the Union cites from four of the externally comparable communities differ in critical respects from the Union's current proposal, rendering them of little value as comparisons. Sycamore appears to be the only one of the externally

comparable communities that pays 100% of an employee's accumulated sick leave upon termination of employment after twenty-five years of service. The other three communities that offer any sort of payout for accumulated sick leave do so based on buyouts of less than 100%, and sometimes only in conjunction with retiree benefits. As for the remaining externally comparable community, Belvidere, the record does not include any specific reference to a provision calling for sick leave payouts in its police contract.

These various provisions, with their significantly different terms, demonstrate that there is no real consensus regarding buyouts for accumulated sick leave. In fact, the existing language in the parties' contract, calling for a buy back of half an employee's accumulated sick time upon retirement or resignation after fifteen years' service, with a maximum buy back of 960 hours, is well within the broad parameters set by the many different provisions from the external comparables. In many ways, the parties' current language is more favorable than the sick leave payouts available in the externally comparable communities. Woodstock's police contract, for example, allows for a maximum of 800 hours of accrued sick time, and it calls for a 50% sick time buyout for up to twenty-five years of service, with the buyout rate rising to 70% after twenty-five years and to the maximum of 80% after thirty years. A Woodstock police officer with twenty-five years of service therefore may benefit from a sick time buyout of a maximum of 400 hours, while the Employer's status quo proposal allows a fifteen-year employee to benefit from a sick time buyout of as many as 480 hours.

Given the relatively favorable nature of the current contractual provision on the buyout of accrued sick time, when compared with the provisions on this issue that appear in the contracts

from the externally comparable communities, I find that these external comparables do not support the sort of increase to this benefit that the Union proposes here. Moreover, the adoption of the Union's wage proposal, as previously discussed, works to decrease the disparity in overall compensation available to the Loves Park employees as compared to overall compensation of employees in the externally comparable communities. Any assertion that an improvement in this sick time buyout is necessary to address that compensation disparity ignores the impact of the adoption of the Union's wage proposal. The current contractual language represents a generous benefit, and the evidentiary record does not support the addition of the Union's proposed second tier, with its unlimited 100% buy-back of accrued sick leave, for employees who separate in good standing from the Employer after at least twenty-five years of service.

Accordingly, this Arbitrator finds that the Employer's final proposal on this issue shall be adopted, and it is set forth in the Appendix attached hereto.

3. Section 5.1 Vacation Eligibility and Pay

The Union's final offer with respect to the issue of vacation eligibility and pay is as follows:

> A full-time employee shall earn an annual paid vacation for the period specified below based upon the following service requirements, and utilizing the City's current policy on common anniversary dates:

Service as of May 1	Time	Pay
1-7 years	80 hours	80 hours
8-12 years	120 hours	120 hours
13-19 years	160 hours	160 hours
20 years	200 hours	200 hours

The Employer's final offer on this issue is as follows:

> A full-time employee shall earn an annual paid vacation for the period specified below based upon the following service requirements, and utilizing the City's current policy on common anniversary dates:

Service as of May 1	Time	Pay
1-10 years	80 hours	80 hours
10 years	120 hours	120 hours
15 years	160 hours	160 hours

In its final proposal on this issue, the Union suggests significant changes to the existing vacation eligibility and pay structure, while the Employer's final offer seeks to maintain the contractual status quo. The Union's proposal would add increased vacation benefits for employees with twenty or more years of seniority, and it would alter the years of service and amount of vacation benefits at each step; the Union maintains that this would equalize the overall compensation package with respect to what employees in the comparable jurisdictions receive. As the party advocating a change in the existing contractual terms, the Union bears the burden of establishing a sound basis for making the proposed change.

An internal comparison with other employee groups working for the City of Loves Park is of particular importance in determining which of the competing vacation proposals is more appropriate. For a variety of administrative and operational reasons, I find that it is desirable for there to be some measure of uniformity in vacation eligibility and benefits for all of the Employer's employees. The fact that all of its other employees, union and non-union alike, receive the very same vacation benefits under the same eligibility structure as appears in the parties' current contract language constitutes a strong argument in favor of the Employer's

position that the status quo should be maintained. The internal comparable therefore supports adoption of the Employer's final offer.

The external comparables present a more complex picture. The Union asserts that the vacation benefits available in these other jurisdictions must be viewed as part of the overall compensation package made available to those employees. The Union emphasizes that not only do all but one of the external comparables offer more generous vacation benefits than does the Employer, but the fact that the Loves Park Police Department's wages at the majority of steps rank lowest among this group means that the Department's employees will fall further behind the external comparables because of a poor benefit package.

This argument loses much of its persuasiveness, however, because of the adoption of the Union's final offer on wages, as previously discussed. The wage structure that will be included in the parties' new contract does serve to eliminate some of the disparity between the overall compensation available to the employees of the Loves Park Police Department and the overall compensation available in the externally comparable jurisdictions. Accordingly, I find that an increase in vacation benefits is not so necessary to address that compensation disparity as the Union suggests. The compensation disparity that, to this point, has been a true concern for these parties should be materially reduced as a result of the wage package to be incorporated in the parties' new contract, and I find that a concurrent increase in vacation benefits is not justified by recourse to the same argument about a disadvantageous compensation package. It is not possible to eliminate such a compensation disparity all at once, of course, but the new wage package offers real relief.

The previously noted administrative advantages associated with uniformity in the vacation benefits available to the different employee groups working for the Employer adds weight to the arguments in favor of maintaining the contractual status quo. Operationally and administratively, it makes sense to preserve that uniformity in vacation eligibility and benefits in that it considerably simplifies and streamlines the management of this particular benefit of employment.

Accordingly, this Arbitrator finds that the Employer's final proposal on this issue shall be adopted, and it is set forth in the Appendix attached hereto.

4. Section 9.13 Training

The Union's final offer with respect to the issue of training is as follows:

> Job-related training opportunities may be made available to all employees with the approval of the Chief of Police or his designee. Within an area of assignment (detective, patrol or telecommunicator), these opportunities shall, whenever practical, be evenly distributed among the employees within that area of assignment.
>
> Actual time spent in training and travel time to and from training shall be considered as hours worked for the purposes of calculating overtime.
>
> In computing travel time, the Police Department's offices shall be used as the departure and return location unless the employee's residence is closer and the employee chooses to depart from and return to his residence.
>
> The City shall not adjust an employee's regular shift schedule in order to avoid overtime payment as a result of an employee's attendance at a training session.

The Employer's final offer on this issue is as follows:

> Job-related training opportunities may be made available to all employees with the approval of the Chief of Police or his designee. Within an area of assignment (detective, patrol or telecommunicator), these opportunities shall, whenever practical, be evenly distributed among the employees within that area of assignment.

Actual time spent in training and travel time to and from training shall be considered as hours worked (except that such time for peace officers shall be paid at the employee's straight time hourly rate or allowed as straight time comp at the officer's request and subject to the approval of the Chief of Police or his designee).

In computing travel time, the Police Department's offices shall be used as the departure and return location unless the employee's residence is closer and the employee chooses to depart from and return to his residence.

The City shall pay time and one-half of the employee's regular hourly rate for all required recertification training during the employee's non-scheduled work hours.

As to this issue, both parties have offered final proposals that will alter the existing contract language to some degree. The parties' competing proposals must be considered in light of the critical nature of continuing training for police officers. There is no question that continued training is an absolute necessity for all police officers, in that they face increasingly complex responsibilities and duties.

One major area of disagreement on this issue relates to the rescheduling of officers' work schedules in order to accommodate training. The Union's proposal seeks to limit such rescheduling by prohibiting the Employer from adjusting an officer's regular shift schedule in order to avoid overtime payment as a result of that officer's attendance at a training session. The problem with the Union's proposed language on this point is that it fails to account for the reality that training sessions will not always be available to allow for an officer's attendance without a schedule change. Moreover, when scheduling an officer for a training session, the Employer also must allow for a rest period between that officer's normal shift and the training session, must make sure that the officer has regular days off during the work cycle, and must provide the officer with adequate overall rest so as to minimize mistakes and poor decisions that could be a

hazard to the public's and the officer's own safety.

Another important consideration relating to the adjustment of an officer's regular schedule in connection with attendance at a training session is the Employer's obvious need to maintain appropriate staffing levels on each shift. With shift staffing being affected not only by training, but also by vacation, sick days, and other personal leave time, it is imperative to allow the Employer enough flexibility to alter shift schedules so as to maintain appropriate staffing levels. The Union's proposal to prohibit the Employer from changing shift schedules, in connection with attendance at training sessions, in order to avoid the payment of overtime represents an inappropriate limitation upon that necessary flexibility. It also must be noted that there would be significant problems of enforcement associated with any such prohibition. One final consideration here is that the Employer's proposal is consistent with the parties' agreed language appearing in Section 2.6 of the collective bargaining agreement, which addresses the Employer's managerial authority to alter work schedules upon three days' written notice, and taking into consideration such factors as the officers' safety, the need for training, and the public's welfare.

Another area of disagreement on the issue of training is the Union's assertion that when an employee is required to attend training on a scheduled day off, the employee either should be compensated at the overtime rate, or should receive compensatory time at the rate of one and one-half hours for each hour spent in training and in traveling to and from training. The Employer counters by proposing that time spent in required re-certification training during an employee's non-scheduled work hours should be compensated at the time and one-half rate, but

other types of training and associated travel time should be compensated at the straight-time rate or allowed as straight-time compensatory time.

The Employer's proposal relating to the applicable rate of compensation for training recognizes that there are different types of training: required re-certification training; Department-initiated training for purposes of specialization, honing of skills, procedural changes, or performance deficiencies; and officer-initiated training for those seeking added responsibilities or who wish to specialize. The Employer maintains that it must prioritize these different types of training, and it asserts that it does not have the ability to pay overtime in connection with all of them.

Given the evidence showing how many training sessions different officers have attended over the years, and how many hours have been devoted to these many training sessions, there is some support for the notion that compensation at the time and one-half rate for all training represents a significant, and potentially burdensome, financial obligation. The Employer's offer to pay time and one-half only for required re-certification training represents a reasonable compromise on this question. The Employer's proposal would maintain the contractual status quo with respect to compensation for other types of training and associated travel. The evidentiary record does not establish any sound basis for imposing the burden of compensation at the time and one-half rate for all types of training, including voluntary training that an individual officer wishes to take upon his or her own initiative.

I find that the Employer's final proposal represents the more reasonable and practical approach to both the scheduling of and compensation for training. Accordingly, this Arbitrator

finds that the Employer's final proposal on the issue of training shall be adopted, and it is set forth in the Appendix attached hereto.

5. (New) Stand-By Status

The Union's final offer on the issue of stand-by status is as follows:

> An employee placed on "standby" status shall be compensated for the time on such status position at their appropriate rate of pay and such time shall be considered as "hours worked."
>
> For the purpose of this Section, "standby" shall be defined as any period of time outside the normal workday where a telecommunicator is ordered to be available for a possible call back to duty status. A telecommunicator placed on "standby" status shall be compensated at his/her regular hourly rate of pay for one (1) hour for each four (4) hour block for time served in such status position and such time shall be considered as "hours worked."
>
> An employee placed on "on call" status shall be compensated at his/her regular hourly rate of pay for one (1) hour for each four (4) hour block of time served in such status position. For purposes of this section, "on call" shall be defined as any period of time outside of the normal work day where an employee is ordered to be in a constant state of readiness for a possible call back to duty status; and the employee's freedom of movement or pursuit of non work related activities is limited by the Employer.

The Employer's final offer on this issue is as follows:

> For the purpose of this section, "Stand-By" shall be defined as any period of time outside the normal work day wherein an employee is ordered by the Chief of Police to be in a constant state of readiness outside of his or her normal duties in order to respond to a defined assignment or objective and the employee's freedom of movement or pursuit of non-work related activities is limited by the Employer.
>
> An employee placed on "Stand-By" status shall be compensated at his or her regular hourly rate of pay for one (1) hour for each eight (8) hour block for time served in such a "Stand-By" status position.

As noted, this proposed language on stand-by status would be a new addition to the parties' collective bargaining agreement. The parties' arguments and the evidence on this issue demonstrates that it relates only to the telecommunicators ("TCs"). There are two principal

differences between the parties' final offers relating to stand-by status. The Employer's final offer provides that only the Chief of Police may order an employee to be on stand-by status, and it also calls for employees to be compensated for being on stand-by at the rate of one hour's pay for eight-hour block of time served on stand-by status. The Union's final offer does not limit stand-by status to those situations as ordered by the Chief of Police, and it further provides that employees are to be compensated for stand-by time at the rate of one hour's pay for each four-hour block spent on stand-by; the Union's proposal additionally states that time spent on stand-by shall be considered as "hours worked."

The evidence shows that although TCs are scheduled to work eight-hour shifts, they often are either called in prior to the start of their shifts, or are held over after the end of their shifts. As a result of these early call-ins and/or holdovers, TCs frequently end up working twelve-hour shifts. Pointing to the difficult working conditions that apply to the TCs, the Union contends that its proposal is a more equitable approach to stand-by compensation than is the Employer's offer. The Union maintains that TCs would almost never qualify for stand-by compensation under the Employer's proposal because they rarely are both called in early and held over in connection with the same shift; a TC would accumulate an eight-hour block of stand-by time only under such circumstances.

The evidentiary record supports the Union's contention that TCs currently work under difficult conditions, including the stand-by situation, and both parties have acknowledged that it is necessary to address the TCs' working conditions, although they do not necessarily agree on the best manner to resolve these matters. Because the Employer apparently is unable to materially change the TCs' working conditions at present, it is necessary to address this problem in another way, through the overall compensation package available to the TCs. Given the historical maintenance of wage structure parity between the sergeants, officers, and TCs, the

problem of the TCs' working conditions cannot appropriately be resolved through the simple application of a larger wage increase for TCs than for the sergeants and officers; such a step would destroy the Employer's wage structure. The proposed addition of stand-by pay to the parties' collective bargaining agreement represents a creative, and workable, approach to the problem of compensating the TCs for their difficult working conditions.

Which of the competing proposals on this issue is more appropriate under the relevant circumstances? The realities associated with the Employer's use of stand-by status must be the foundation for resolving that question.

The evidentiary record establishes that TCs are required to be available to work both four hours prior to and four hours after their scheduled shifts. Moreover, if TCs refuse a call to report early for work, they are subject to discipline. These conditions represent a real restriction on the TCs' movements and activities during a significant portion of their scheduled off-duty hours. Moreover, given the frequency with which TCs are either called in early or held over, it is evident that TCs must maintain a state of readiness to either be called in early or held over on most of their scheduled work days. Because TCs are required to be available to work during the four-hour periods before and after their scheduled shifts, whether or not they actually are called in early or held over, they cannot count on being able to use either of these time periods to pursue their own personal business or interests. This is particularly true with respect to the four-hour period before the start of a TC's shift; a call to report early may occur at any time during this four-hour period, and the TC must be available and ready to immediately respond to that call. In contrast, a TC generally will know prior to the end of a shift whether he or she is going to be held over; once the TC has ended a shift without being held over, that TC can be reasonably certain that the next four hours will be free of the responsibility to perform work for the Employer. Under these circumstances, TCs must be considered as being on stand-by status for at least four

hours on a typical work day.

If the Employer requires TCs to maintain this state of readiness for as lengthy a period as four hours on a typical workday, as the evidence suggests, then I find that the TCs deserve to be compensated for this significant restriction on their off-duty movements and activities. Limiting stand-by compensation to those rare occurrences when a TC is required to be in a state of readiness to be called in early and held over, for a total period of eight hours on standby status, unjustifiably ignores the very real and significant impact of the Employer's requirement that TCs be available to report for work up to four hours prior to the start of every scheduled shift. TCs deserve to be compensated for this daily intrusion upon their off-duty hours. I find that the circumstances under which the TCs actually operate therefore support adoption of the Union's final offer on the issue of stand-by status.

Accordingly, this Arbitrator finds that the Union's final proposal on this issue shall be adopted, and it is set forth in the Appendix attached hereto.

6. (New) Shift Differential -- Telecommunicators

The Union's final offer on the issue of shift differential for telecommunicators is as follows:

> Telecommunicators who are regularly assigned to afternoon shift (14:20 - 22:20), or the night shift (22:20 - 06:20) shall receive an additional thirty-five cents ($0.35) added to their hourly rate of pay.
>
> a. Shift differential shall be included in payment for all types of paid leave, provided the employee would have been expected to work that shift or shifts if the employee were not on paid leave.
>
> b. When an employee who usually works on an afternoon or night shift is temporarily assigned to a day shift for a period of four (4) working days or less, the employee shall continue to receive the above shift differential pay.

The Employer's final offer with respect to this issue is to reject this proposed addition to

the parties' collective bargaining agreement in its entirety.

As with the previous issue, the parties' dispute regarding shift differential relates to language that would be a completely new addition to the collective bargaining agreement, and this language would apply only to telecommunicators ("TCs"). What sets this apart from the parties' dispute over stand-by status is that the shift differential issue does not come down to which proposed language should be adopted. Instead, this issue centers on whether any language should be added at all. The Union contends that a provision allowing for a shift differential should be added to the collective bargaining agreement, while the Employer opposes any such addition.

The Union maintains that its proposed shift differential is part of its larger effort to improve the TCs' working conditions. The Union emphasizes that in two of the five comparable communities, employees receive shift differentials. The Union also points to the neighboring City of Rockford. While Rockford is not one of the external comparables, the Union asserts that it nevertheless should be considered here because of the TCs who leave Loves Park for better benefits and working conditions, many are hired by Rockford.

Although the Union is correct that it is desirable for an employer to retain qualified and experienced personnel, the Employer emphasizes that only three TCs have left its employ in the past three years, and only one of those three left to work for Rockford. The Employer further emphasizes that it does not control shift assignments for TCs; instead, this is handled by seniority. The Employer acknowledges the importance of improving working conditions for its TCs, but it maintains that a shift differential is not an appropriate means of addressing this problem. Not only would this proposed contract provision require the Employer to pay shift differentials when control of shift assignments is in the hands of the TCs, but it also ignores other contractual accommodations for the TCs that already are in place. The Employer points to

Section A.2. of the collective bargaining agreement, which provides a bonus for all TCs, designed to compensate the TCs for the Employer's inability to give them breaks, and the Employer maintains that the amount of this bonus will be increased in the parties' new agreement.

The evidentiary record does establish that the TCs' working conditions are difficult and in need of improvement. As mentioned, TCs are not given any lunch or regularly scheduled breaks during the course of their shifts, and they regularly are called in early or held over, with the result that TCs sometimes work a stretch of twelve hours. The record also makes clear, however, that the bonus provision in Section A.2. of the collective bargaining agreement is designed to compensate the TCs for the fact that they do not received scheduled breaks. In addition, the above decision regarding the issue of stand-by status serves to address the matter of TCs either being called in early or held over after the scheduled end of their shifts. The question of whether TCs also should be eligible for a shift differential must be resolved without regard for these working conditions that are addressed elsewhere in the contract. The lack of breaks, the early call-ins, and the holdovers are not relevant to this particular issue.

Leaving these other matters aside, the focus of this analysis must be the applicable statutory factors. The interests and welfare of the public will be served by the retention of experienced and qualified employees, but it does not appear as though there has been an alarming exodus of TCs from the Employer's ranks; as the Employer has noted, only three TCs have left Loves Park over the past three years. A comparison to the external comparables is most helpful here, and of all the statutory factors, this appears to be of primary importance in settling the question of shift differentials.

Of the five external comparables, only Freeport and Dixon offer shift differentials to their employees. Moreover, Freeport is the sole externally comparable community that offers a shift

differential of $0.35 per hour, the figure sought by the Union here. Freeport's shift differential, however, is not as generous as what the Union has proposed; Freeport pays this shift differential only for the hours from 6:00 p.m. to 6:00 a.m., while the Union seeks payment of its proposed shift differential for all hours worked between 2:20 p.m. and 6:20 a.m. Under the Union's proposal, then, two of the three TC shifts would qualify for the shift differential. As for Dixon's shift differential, the record indicates that its employees receive a differential in the amount of 10% of their normal pay for the entire shift, but the evidence does not precisely establish to what time period that differential applies.

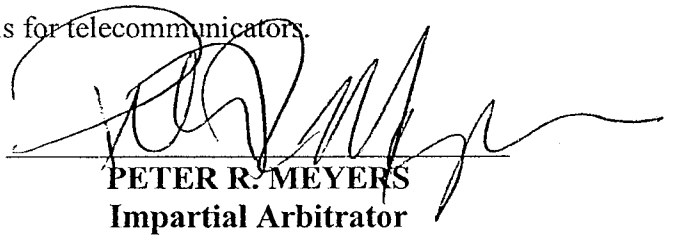
Because the other three of the five externally comparable communities do not offer a shift differential at all, the overall impact of the comparison of Loves Park to these communities does not favor adoption of the Union's proposal on the issue of shift differentials. The Employer's position on this issue, rejecting the inclusion of shift differentials in the parties' collective bargaining agreement, would keep Loves Park on a par with the majority of the externally comparable communities.

As for the Union's citation to the City of Rockford, the significant demographic differences between Rockford and Loves Park argues against using Rockford as a comparison, even when the comparison is limited to the single issue of shift differentials. Quite simply, Rockford is so different a community from Loves Park that it cannot be validly compared to Loves Park for purposes of this proceeding.

The evidentiary record does not suggest any other basis for adding this new provision to the parties' collective bargaining agreement. Instead, I find that the evidence supports maintaining the status quo with regard to this particular issue.

Accordingly, this Arbitrator finds that the Employer's final proposal on this issue should be adopted and no language should be added to the parties' collective bargaining agreement on

the issue of shift differentials for telecommunicators.



PETER R. MEYERS
Impartial Arbitrator

Dated this 23rd day of September
2002 at Chicago, Illinois

APPENDIX

SECTION 3 – SICK PAY

Section 3.1.4. Forfeiture

All accrued sick time not used as of the date of separation from the employ of the City for any reason is forfeited. Sick time benefits are not earned but are a grant. Excluded from this forfeiture are those employees who retire or resign after fifteen (15) years of service with the City. Upon retirement or resignation, the City will buy back the total accumulated sick time, not to exceed nine hundred sixty (960) hours at the rate of one (1) hour for every two (2) hours accrued.

SECTION 5 – VACATION

Section 5.1. Vacation Eligibility and Pay

A full-time employee shall earn an annual paid vacation for the period specified below based upon the following service requirements, and utilizing the City's current policy on common anniversary dates:

Service as of May 1	Time	Pay
1-10 years	80 hours	80 hours
10 years	120 hours	120 hours
15 years	160 hours	160 hours

SECTION 6 – WAGES

Appendix A, Wage Schedule

Patrol Officer Annual Salary Schedule

	5% 5/1/01	5% 5/1/02	5% 5/1/03
Start	$30,369	$31,888	$33,482
After 1 Year	$31,326	$32,892	$34,537
After 2 Year	$32,282	$33,896	$35,591
After 3 Year	$33,237	$34,899	$36,643
After 4 Year	$34,193	$35,903	$37,698
After 5 Year	$35,150	$36,908	$38,753
After 6 Year	$36,486	$38,310	$40,226 (3.8%)
After 7 Year	$37,872	$39,766	$41,755
After 10 Year	$41,852	$43,661	$45,844

After 15 Year	$43,414	$45,858	$47,864

Sergeant Annual Salary Schedule

All Sergeants, regardless of their years of service, shall receive an annual salary equivalent to 13% above the patrol officer annual salary at the "After 15 Years of Service" Step, equivalent to the following:

5/1/01	5/1/02	5/1/03
$49,058	$51,511	$54,087

Telecommunicator Annual Salary Schedule

	5% 5/1/01	5% 5/1/02	5% 5/1/03
Start	$26,190	$27,500	$28,875
After 1 Year	$27,238	$28,600	$30,030
After 2 Year	$28,372	$29,791	$31,280
After 3 Year	$29,334	$30,801	$32,341
After 4 Year	$30,090	$31,899	$33,494
After 5 Year	$31,429	$33,000	$34,650
After 6 Year	$31,900	$33,495	$35,170 (1.5%)
After 7 Year	$32,379	$33,997	$35,698
After 10 Year	$33,720	$35,406	$37,176
After 15 Year	$36,273	$38,087	$39,991

SECTION 9 – TRAINING

Section 9.13 Training

Job-related training opportunities may be made available to all employees with the approval of the Chief of Police or his designee. Within an area of assignment (detective, patrol or telecommunicator), these opportunities shall, whenever practical, be evenly distributed among the employees within that area of assignment.

Actual time spent in training and travel time to and from training shall be considered as hours worked (except that such time for peace officers shall be paid at the employee's straight time hourly rate or allowed as straight time comp at the officer's request and subject to the approval of the Chief of Police or his designee).

In computing travel time, the Police Department's offices shall be used as the departure and return location unless the employee's residence is closer and the employee chooses to depart from and return to his residence.

The City shall pay time and one-half of the employee's regular hourly rate for all required recertification training during the employee's non-scheduled work hours.

(NEW) STAND-BY STATUS

An employee placed on "standby" status shall be compensated for the time on such status position at their appropriate rate of pay and such time shall be considered as "hours worked."

For the purpose of this Section, "standby" shall be defined as any period of time outside the normal workday where a telecommunicator is ordered to be available for a possible call back to duty status. A telecommunicator placed on "standby" status shall be compensated at his/her regular hourly rate of pay for one (1) hour for each four (4) hour block for time served in such status position and such time shall be considered as "hours worked."

An employee placed on "on call" status shall be compensated at his/her regular hourly rate of pay for one (1) hour for each four (4) hour block of time served in such status position. For purposes of this section, "on call" shall be defined as any period of time outside of the normal work day where an employee is ordered to be in a constant state of readiness for a possible call back to duty status; and the employee's freedom of movement or pursuit of non work related activities is limited by the Employer.

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October 7, 2002

Mr. David J. Kurlinkus
Philip A. Nicolosi & Associates
190 Buckley Drive
Rockford, IL 61107-5839

Ms. Katherine A. Paterno
Illinois Fraternal Order of Police
Labor Council
5600 South Wolf Road, Suite 120
Western Springs, IL 60558-2265

Re: In the Matter of the Interest Arbitration between the Illinois Fraternal Order of Police Labor Council and the City of Loves Park and Loves Park Police Department; Case No. S-MA-01-160; 2001-2004 Contract; Hearing Date: April 22, 2002; Our File No. 01-928

Dear Mr. Kurlinkus and Ms. Paterno:

Enclosed please find the amended pages which I have prepared to be inserted in the earlier Decision and Award that I sent to you on September 23, 2002. There was some confusion which was caused by the Union's Final Offer language as embodied in its brief. I mistakenly inserted the language from the body of the Union's brief into my Award and attached Appendix. I have now made the appropriate corrections, and I am sending the enclosed new pages to you. I am sorry for any confusion that this may have caused.

I thoroughly enjoyed working with both of you in this case. I look forward to working with you again in the future.

Very truly yours,

Peter R. Meyers

PRM:btj
Enclosures