

IN THE MATTER OF THE INTEREST ARBITRATION

BETWEEN

CITY OF COUNTRY CLUB HILLS

-and-

LOCAL NO. 726, INTERNATIONAL BROTHERHOOD OF TEAMSTERS

ILLINOIS LABOR RELATIONS BOARD; CASE NO. S-MA-02-245

---

1. The Arbitrator, Aaron S. Wolff, was designated by the parties pursuant to their Agreement and the procedures of the Illinois Labor Relations Board.
2. A hearing was held on November 22, 2002 at the City Hall in Country Club Hills, Illinois.

Appearances for the City were:

Mr. John B. Murphey, Esq.

Rosenthal, Murphey & Coblenz,  
Attorney

Appearances for the Union were:

Mr. James W. Green, Jr., Esq.

Attorney

3. There was a transcript of the hearing. Post-hearing briefs were received by February 10, 2003.
4. Subject matter of award: Best Last Offer interest arbitration as to several economic issues concerning wages and sick leave buy back of unused sick days.
5. Summary of Award: The City's proposal to delete sick leave buy back is not accepted; the City's proposal to extend the salary schedule from three to four years is not accepted; the Union's proposal to increase wages is accepted for the first two years of the contract and the City's wage proposal is accepted for the third year of the contract.

## INTEREST ARBITRATION FINDINGS, OPINION AND AWARD

### Preliminary Statement

This is an interest arbitration pursuant to the Illinois Public Labor Relations Act [the “Act” or “IPLRA”]. The parties to this proceeding are the City of Country Club Hills [the “City,” “Employer” or “CCH”] and the International Brotherhood of Teamsters, Local 726 [the “Union” or “Local 726”] who have had a collective bargaining relationship since 1987. [T. 12]<sup>1</sup> The bargaining unit consists of all full-time sworn peace officers of the rank of Sergeant and Patrol Officers. The parties’ last collective bargaining agreement [the “old contract”] was for three years, May 1, 1999 to April 30, 2001. [CX 22]<sup>2</sup> After extensive bargaining, mediation and pre-arbitration negotiations, the parties resolved all issues for a new contract except as to wages and sick leave pay “buy back”. The IPLRA [5 ILCS 315 et seq.] provides in §14(g) that “As to each economic issue, the arbitration panel shall adopt the last offer of settlement which, in the opinion of the arbitration panel,<sup>3</sup> more nearly complies with the applicable factors prescribed in subsection (h).”

The “applicable factors” set forth in §14(h) are as follows:

---

<sup>1</sup>The transcript of the hearing is cited as “T.” Joint, City and Union exhibits are cited as “JX,” “CX,” and “UX,” respectively. The City’s pre-hearing Memorandum is cited as “CM”. The City and Union post-hearing Briefs are cited as “CB” and “UB,” respectively.

<sup>2</sup>The City is on a fiscal year, May 1 to April 30.

<sup>3</sup>The parties waived a tri-partite board, designating undersigned as sole arbitrator. [T. 7-8]

- (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) Comparison 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.

To put the disputed issues and last offers in perspective, there should first be noted the old contract terms which are as follows [CX 22]:

## **ARTICLE XII**

### **SICK LEAVE**

**Section 12.1 Purpose.** Sick leave with pay is provided as a benefit in recognition that employees do contract various illnesses from time to time and that their financial resources may be diminished in such instances if pay is discontinued, and that it may not be in the best interest or health of the employee or fellow employees to work while sick.

**Section 12.2. Days Earned.**

(a) All full-time police officers shall earn sick leave pay at the rate of thirteen (13) days per year and in the same amount during each subsequent anniversary year. Commencing January 1, 1993 and concluding at the end of calendar year 1999, at the conclusion of each calendar year, the City will pay each officer an amount equal to sixty-seven (67%) per cent of the officer's unused sick days for that year, subject to usual withholding.

(b) Commencing January 1, 2000, only officers who use five or fewer sick days shall be eligible for payment for unused sick days. Commencing January 1, 2001 and at the conclusion of each calendar year thereafter, the City will pay each such eligible officer an amount equal to 70% of the officer's unused sick days for that year subject to usual withholding.

(c) The City shall cooperate with the Union in establishing a Post-Employment Health Plan (PEHP) commencing January 1, 2000. Commencing January 1, 2001 and each year thereafter, employees who have used five or fewer days of sick leave in the prior year may direct the City to pay fifty per cent (50%) of the cash value of the sick leave buyback into a deferred compensation plan known as "Voluntary Employee Beneficiary Association" (VEBA) pursuant to Section 501(c)(9) of the Internal Revenue Code. The monthly minimum contribution of each officer shall be made by way of payroll deduction in the amount of \$10.00 or such other amount as may be designated by mutual agreement of the City and the Union.

**Section 12.3. Use of Sick Leave.** Absence from work due to any of the following reasons is properly chargeable to sick leave: (a) legitimate illness or injury of the employee; or (b) death or illness of a member of the immediate family necessitating the absence of the employee from his work (members of the immediate family shall include mother, father, wife, husband, brother, sister, children, mother-in-law and father-in-law).

**Section 12.4. Reporting of Sick Leave.** Any employee absence from work chargeable against sick leave shall be reported immediately to the Chief of Police or his designee as soon as possible, but not later than one (1) hour before the start of the day shift (commencing at 7:00 am.) and no later than two (2) hours before the start of all other shifts. When absences due to illness are in excess of two (2) consecutive days, such absence may be required to be supported by a doctor's certificate at the discretion of the Police Chief. Employees who are absent due to severe accidents or to surgery must supply a signed doctor's release before they can return to work.

**Section 12.5. Personal Days.** Each officer may designate three (3) of his allotted thirteen (13) sick days as personal days.

Personal days are days off to conduct personal business which could not otherwise be conducted during regular hours of employment, or attend to personal or family emergencies. Examples of appropriate personal business leave use are attending a real estate closing or similar legal matter, scheduling of which is out of the hands of the employee, attending a family reunion, or attending a school play, special event, etc., involving an "immediate family member," as defined in Section 13.4. An employee requesting a personal day shall file a request in writing and a form provided by the City with the Chief, stating the employee's reason for the personal day request. If the officer is seeking to utilize a personal day for a family or personal emergency, the officer shall notify the Department as soon as possible, not later than the times described in Section 12.4 for the reporting of sick leave. The Chief may require evidence of the personal or family emergency.

**ARTICLE XV**  
**WAGES**

Employees shall be compensated according to the following wage schedule. Salary and/or step increases shall be retroactive May 1, 1995. Retroactive pay shall be calculated using hourly rates calculated in accordance with Article V of this Agreement. The City shall issue retroactive pay within sixty (60) days of the effective date of this Agreement.

All employees shall receive step increases on their anniversary dates.

	1998-1999	1999-2000	2000-2001
		<u>PATROL OFFICERS</u>	
0 to 1	\$33,569	\$34,660	\$35,873
1 to 2	38,451	39,700	41,090
2 to 3	42,800	44,191	45,738
3 to 4	45,962	47,456	49,117
		<u>DETECTIVES</u>	
0 to 1	\$46,494	\$48,005	\$49,685
1 to 2	47,410	48,951	50,664
2 to 3	48,859	50,447	52,212
		<u>SERGEANTS</u>	
0 to 1	\$49,179	\$50,777	\$52,554
1 to 2	52,743	54,457	56,363

LONGEVITY

All employees shall receive longevity increases in salary on the following anniversary dates:

<u>Anniversary Date</u>	<u>Percent Increase In Salary</u>
5th year	2%
10th year	3.75%
15th year	5.5%
20th year	7.25%

All officers hired from the effective date hereof, either by the Police Commission or by some other method as determined by the City in the exercise of its home rule authority, shall be placed at the first step of the salary schedule.

## The Last Offers

### The Union's Last Wage Offer [UX 1]:

#### ARTICLE V WAGES

Wage Scales The Union proposes retaining the status quo as it pertains to the step schedule for Patrol Officers, Sergeants and Detectives.

Wage Increases The Union proposes a three (3) year agreement. All wage rates in the step system be increased by 4% on May 1, 2001, May 1, 2002 and May 1, 2003.

### The City's Last Wage Offer [CX 2; T. 17-18; cents omitted and rounded up]:

	2001-02	2002-03	2004-04
<b>Patrol Officers</b>			
Start	\$35,873	\$35,873	\$37,000
1 Year	\$41,090	\$41,090	\$42,090
2 Years	\$45,738	\$45,738	\$46,738
3 Years	\$49,117	\$49,117	\$50,117
4 Years	\$50,836	\$52,361	\$53,932
<b>Detectives</b>			
0 to 1	\$51,424	\$52,967	\$54,556
1 to 2	\$52,437	\$54,010	\$55,631
2 to 3	\$54,039	\$55,660	\$57,330
<b>Sergeants</b>			
0 to 1	\$54,394	\$56,025	\$57,706
1 to 2	\$58,336	\$60,086	\$61,888

### The Sick Leave Last Offers/Rejections

The City's proposal is to eliminate the sick leave buy back provisions found in §§12.2 (a) and (b) of the old contract. [CM 7, CB 12; T. 81-101] The Union rejects CCH's proposal to eliminate sick leave buy back ["SLBB"] and asks affirmatively that a "PEHP program [see §12.2(c), supra, p. 3] be established within sixty (60) days of execution of this new Agreement." [UX

1]

### Stipulations of the Parties

Two stipulations of the parties should be noted. First, the parties agree on nine “comparable communities” [referred to as “CC’s”] that may be considered, all of which are in the South suburbs of Chicago: Flossmoor, Glenwood, Hazelcrest, Homewood, Markham, Midlothian, Park Forest, Richton Park and Riverdale. [T. 23-24; CX 20]

Second, with respect to wages, it was agreed that “historically\*\*\*detectives and sergeants have traditionally received the same percentage increment as patrol officers.” [T. 51] Pursuant to history, the parties’ main focus on wages here is as to those of patrol officers.

### The Evidence and Positions of the Parties

The record in this case consists mainly of documents/exhibits prepared by the parties which were presented and explained during the hearing by counsel. Inevitably, the “explanations” sometime contain argument. Only two witnesses testified: Mr. John Falzone, president of the Union who was involved in the negotiations for the old contract and the proposed new one [T. 70-71]; and Mr. John Murphey, the City’s attorney who has been CCH’s chief negotiator since the inception of collective bargaining in 1987. [T. 82]

#### I. The Wage Issues

##### The City’s Evidence and Arguments as to Patrol Officers

From the inception of collective bargaining, the patrol officers' salary schedule consisted of four steps: a starting salary and, after three years of service, a "top out" salary which could increase thereafter only by longevity in blocks of five years. Over the past several contracts, the parties have agreed upon across-the-board ["ATB"] increases throughout the entire salary schedule. [CM 2-3; T. 12-13] As a result, CCH asserts, over the years, the officers with less than four years' service receive, or will receive, wages that "are disproportionate to the marketplace which result in untoward increases that are in excess of that provided for the comparable communities." [T. 13-14; CM 3-4] To "address" the perceived imbalance, the City's last offer proposes, in part, to add an additional step so that patrol officers top out at a fourth level, i.e., at the end of four years instead of three. Thus, as shown in CX 2, supra, p. 5, patrol officers with four years of service would receive a 3.5% increase in the first contract year [2001-02] [49,117 x 1.035%=50,836] and 3% in each of the next two years of the new contract, \$52,361 and \$53,932, respectively. However, as to those officers with less than four years' service, the City's last offer proposes no increase over the old contract wages during the first two years of the new one and in the third year of the new contract a flat \$1000 increase except for an increase of \$1127 in starting salary. [CX 2, supra, p.5; T.14-16]<sup>4</sup> About 12 patrol officers, as of November 12,

---

<sup>4</sup>As to detectives and sergeants, the City's last offer is across-the-board: 3.5% in the first year and 3% in each of the next two years, the same as it would be for topped out patrol officers with four or more years of service. [T. 16; CX 2; CM 7] The City does not seek to change the

2002, had less than four years' service on May 1, 2001. [CX 1]

---

number of steps for sergeants and detectives to top out.

In support of its belief that its proposal is more reasonable and more nearly comports with the applicable factors, CCH advances these facts and arguments: As to property tax base in the comparable communities [the “CC’s”], CCH’s equalized assessed valuation [“EAV”] of about \$123 million for tax year 2000 falls near the middle of the CC’s range of about \$79 to \$243 million. [CX 3; T. 24; CM 4] <sup>5</sup> As to sales tax revenue, CCH is “near the bottom” of the CC’s. [CM 4-5; CX 4; T. 27-30] CX 4 shows that CCH’s revenue from this source for 2001, about \$279 thousand, is second from the bottom’s \$211 thousand. [CX 4] Other CC’s sales tax revenue was \$398, \$432, \$512, \$641, \$931 thousand, and \$2.8 and \$3.3 million. In the City’s fiscal year beginning May 1, 2001, 6% of CCH’s revenue was from sales taxes; and the largest share, 48%, was from property taxes, followed by 12% from State income taxes. [CX 23; T.43- 44]

The City also offered several exhibits as to the number of sworn officers, the total population of CCH and the CC’s and their interrelationship. The population of the CC’s ranges from 9,500 to 23,462. CCH ranks third with 16,169. The number of sworn officers ranges from 14 to 38 and the ratio of officers per 1000 population ranges from 1.47 to 2.53. CCH is in the middle of the CC’s with 30

---

<sup>5</sup>The Union objected to the use of EAV on the ground that such matters are useful in determining comparable communities, but not for purposes of determining which last offer is appropriate. The City deems such factors relevant to show that while CCH is not the wealthiest CC, it is paying its officers at or near the top scale and that such officers’ position relative to the those in the other CC’s is not lost under the City’s proposal. [T. 25-26]

sworn officers and a ratio<sup>6</sup> of 1.85. [CX 6 & 5; T. 30-31] In 2000, the number of police service calls in the CC's ranged from 7,092 to 22,528. CCH was second highest with 21,386 service calls. [CX 7; T. 31] The annual average number of service call per officer in the CC's ranged from 388 to 716 and CCH was highest. It was also highest in calls per capita-- 1.33. [CX 8 & 9; T. 31]

The City also offered a number of exhibits comparing officers' salaries under the various collective bargaining agreements of the CC's with those of CCH's and the Union's last offers. These exhibits [CX 10-16; T. 31-37] were updated and merged in part into an "omnibus table" contained in CCH's post-hearing brief [CX 24 at CB 6] that indicates for 2001-04 as follows [CX 24]:

**NEW CCH CONTRACT START**

Contract Year 2001/2002

Tenure	Union	CCH	Midlo- moor	Floss- wood	Glen- Forest	Park dale	River- ham	Mark- ton Pk	Rich- wood	Home-
Start	37,308	35,873	37,631	35,000	35,479	35,080	37,542	36,628	35,000	42,218
1 Year	42,734	41,090	41,075	38,082	37,812	37,919	40,545	38,783	37,997	44,004
2 Years	47,568	45,738	43,943	41,676	39,878	41,135	42,167	40,975	39,328	46,282
3 Years	51,082	49,117	46,934	45,265	41,942	43,587	NA	43,093	41,492	48,474
4 Years	NA	50,836	48,211	48,858	44,009	46,804	45,540	NA	43,766	50,777

---

<sup>6</sup>According to CX 1, CCH had only 26 sworn officers as of 11/12/02, not 30. There is no explanation in the record as to which figure is correct; but the trend in the number of sworn officers from 1999 to 2001 is up. [CX 21 which shows 19 in 1998 & 1999, 22 in 2000, 28 in 2001 and 26-27 in 2002 in YTD] The ratios and conclusions drawn from the exhibits referred to in this paragraph would vary, of course, depending on the actual number of employed officers.

Contract Year 2002/2003

<u>Tenure</u>	<u>Union</u>	<u>CCH</u> <u>thian</u>	<u>Midlo-</u> <u>moor</u>	<u>Floss-</u> <u>wood</u>	<u>Glen-</u> <u>Forest</u>	<u>Park</u> <u>dale</u>	<u>River-</u> <u>ham</u>	<u>Mark-</u> <u>ton Pk</u>	<u>Rich-</u> <u>wood</u>	<u>Home-</u>
Start	38,800	35,873	38,760	36,400	36,898	NA	39,794	35,561	35,500	43,695
1 Year	44,443	41,090	42,308	39,605	39,324	NA	42,978	41,044	38,643	45,544
2 Years	49,470	45,738	45,261	43,343	41,473	NA	44,697	43,307	40,114	47,902
3 Years	53,125	49,117	48,342	47,076	43,619	NA	NA	45,494	42,421	50,171
4 Years	NA	52,361	49,658	50,810	45,770	NA	48,273	NA	44,816	52,554

Contract Year 2003/2004

<u>Tenure</u>	<u>Union</u>	<u>CCH</u> <u>thian</u>	<u>Midlo-</u> <u>moor</u>	<u>Floss-</u> <u>wood</u>	<u>Glen-</u> <u>Forest</u>	<u>Park</u> <u>dale</u>	<u>River-</u> <u>ham</u>	<u>Mark-</u> <u>ton Pk</u>	<u>Rich-</u> <u>wood</u>	<u>Home-</u>
Start	40,352	37,000	39,923	37,783	38,743	NA	NA	35,561	36,000	45,225
1 Year	46,221	42,090	43,577	41,189	41,291	NA	NA	46,111	39,300	47,138
2 Years	51,449	46,738	46,619	45,077	43,547	NA	NA	48,541	40,900	49,579
3 Years	55,250	50,117	49,792	48,959	45,800	NA	NA	50,889	43,350	51,927
4 Years	NA	53,931	51,147	52,843	48,058	NA	NA	NA	45,891	54,394

Based in part upon the above table of comparisons, the City contends that its police officers “experience rapid and substantial wage increases that keeps them in a relative position pretty much ahead of the comparable packet.” [T. 37; CM 4-5] As to the top out officers with four or more years of service, the City further observes that its offer to them of 3½%-3%-3% is not only comparable with the marketplace, but also that their “percentage increase is greater than the rate of inflation or the Cook County tax cap figure.” [CM 5] As to the officers hired since January 1, 1998 and who have less than four years service as of 2001 and who do not move “horizontally” for the first two years of CCH’s proposal, the City asserts that they are not being subjected to a “wage freeze.” [CM 5; CX 1] Rather, the City stresses that those officers’ “vertical movements are significant.” [CM 5] The City also points out that under its proposal, for the first year of the contract, 2001-02, CCH’s officers with three or four years’ service

will receive the highest pay among the CC's noted in the table above. [CX 17; T. 39]<sup>7</sup>

The City also notes that its proposal of 3½%-3%-3% for sergeants and detectives and for patrol officers with four or more years of service, is the same increase the City has provided for its non-union employees at least for fiscal years 2001 and 2002. [T. 41-43]

The City also points to the consequences of the Union's proposal which it holds up in juxtaposition [CX 19] to show the reasonableness of the City's offer and unreasonableness of the Union's. In sum, under the Union's 4% ATB proposal, an officer hired on January 1, 2001 at \$35,873 would make \$55,249 on January 1, 2004. This is an increase of \$19,376 or 54%, an increase CCH deems "exorbitant" [CM 6; CX 19] and "astounding." [CB 2] The City believes that the "focus" should not be on past practice but rather on which offer is more reasonable. The City's proposal "is not an attempt to obtain a breakthrough." [CB 2] Nor is it a "wage freeze" when one considers that under the City's proposal an officer hired on 1/1/01 at \$35,873 will earn \$50,117 as of 1/1/04--a 40% increase; that is "not much of a freeze." [CB 3]

Continuing, the City says [CB 3-4]:

Public interest also includes fiscal responsibility. The public is entitled to receive

---

<sup>7</sup>However, the above table [CX 24] indicates that these officers would rank second in salary in the next two years of the new contract. It also shows, e.g., that in year 2003-04, CCH's officers with 1 or 2 years' service would rank 4th in salary and those with 3 and 4 years' service would rank 3rd and 2nd, respectively. Further, the comparisons offered in CX 24 for top rate CCH officers with 4 or more years' service do not equate with the CC's top rates, most of which are not attained until 5, 6, 7 or 9 years of service. [See UX 3]

legitimate bang for the buck. It is irresponsible for the taxpayers to have to pay--or continue to pay-- for any goods or services at a cost significantly over the marketplace. From a marketplace standpoint, there is no public interest to be served by approving a wage structure which artificially inflates the wages for the less experienced members of the workforce. The Union's position of more for the sake of more is not reasonable.

In asserting that the Union's evidence does not justify the Union's proposal and that CCH's proposal is more reasonable, CCH also advances these additional points [CB 4-10]: The Union focus is on starting and maximum [top out] salaries while "ignor[ing] what happens between steps and how quickly officers make more money." CCH says this position should be rejected because starting salary should be the "least significant" since new hires are "least productive and valuable." "What is really important is how fast one moves and how many years it takes to move to the top of the schedule." [CB 5-6]

Referring to the "omnibus table" comparing the salaries of the CC's and the CCH and Union's proposals, which table is included in CCH's post-hearing brief as CX 24 and set forth above, pp. 8-9, the City observes that in the year 2001-02 the "marketplace" for starting salaries has settled between \$35,000 and \$37,000 and that for 2002-03 it remains in that range except for Riverdale which "substantially bumped" it to "\$39,400." [CB 6]<sup>8</sup> Anticipating that the Union will argue that under CCH's proposal several CC's will "pass up" CCH's starting salary, CCH says that even though that is true, CCH's "officers experience rapid increases\*\*\*, making [CCH's proposal] the most attractive among the comparables." [CB 6-7] It cites two examples. As to Midlothian it says: [CB 7:

---

<sup>8</sup>The Arbitrator notes, however, that the figure shown in CCH's table for Riverdale is \$39,794, not \$39,400; and that Homewood's starting salary for 02-03 is \$43,695. [CX 10]

The Union's proposal\*\*\*results in a gross disparity of almost \$5000 at the end of two years. Under the compounding effect of the Union proposal, a patrol officer hired on May 1, 2001 at a starting rate of \$37,681 [sic; probably should read \$37,308] would make \$51,449 on his second year anniversary date. That's 10% more than a Midlothian officer or a [CCH] officer under the City's proposal.<sup>9</sup>

Second, as to Glenwood, the City finds an "even more dramatic" example [CB 7]:

\*\*\*a Glenwood officer starting on May 1, 2002 starts at a rate of \$36,898 compared to a [CCH] starting salary of \$35, 873. Under the City proposal, at the end of one year, the officer in [CCH] will be making \$799 more (\$42,090 versus \$41,291) than the Glenwood officer.

The City finds other "gross disparities" in the Union's "compounding proposal." [CB 8] It says, e.g., that under that proposal a CCH officer would have a "starting salary some \$2000 higher (\$38,800 versus \$36,898)" than a Glenwood officer.<sup>10</sup> Continuing, the City says that [in contract year 2003-04] under the Union's proposal a CCH officer "with only one year experience would be making some \$5000 more than his Glenwood comparable (\$46,220 versus \$41,291)." CCH also states that by the last year of the new contract, CCH's "starting salary would be the highest among the comparables." [CB 8]<sup>11</sup>

---

<sup>9</sup>The Arbitrator notes, however, that Midlothian's top out base salary is reached after six years when it would be \$53,857. [CX 13]

<sup>10</sup>The Arbitrator notes that while this is true as to Glenwood, Midlothian's starting salary is virtually the same and Riverdale's and Homewood's are higher in the same year, 2002-03.

<sup>11</sup>The Arbitrator notes that CX 24 omits Riverdale in years 2003-04 as "NA;" but in years

Continuing in this vein, the City contends that under the Union's proposal the "gap widens in years 2 & 3," thus stating [CB 8]:

What evidence has the Union offered to justify an officer with three years experience making over \$55,000 when most of the other comparables will be paying well under \$50,000 and none of the comparables will be paying over \$52,000? The disparity at 03-04 is particularly glaring as the Union's compounding plays itself out. At the 3 year level, the average wage among the comparables is \$48,400. The City's proposal exceeds the average and is number 3 in rank. The Union's proposal would take our salary to \$55,249, which is (a) over \$3,000 above the next highest, (b) almost \$12,000 above the lowest, and (c) 14% above the average. This is not reasonable.

As to the issue of "top pay," which the City treats as something more than "top out" pay by including, where applicable, longevity pay increases, the City argues as follows [CB 9-10]:

\*\*\* As set forth in our pre-hearing memorandum [CM], under the City's proposal there is a four step schedule. The City also has a longevity program whereby officers obtain a 2% increase at their fifth year anniversary date. As a practical matter then, Country Club Hills really has a five step schedule whereby officers get an additional 2% at their fifth year anniversary date.

Viewing our evidence, it is clear the City's proposal is the more reasonable one. Looking first at those officers who will top out during the term of this contract, the City's proposal keeps these officers at the top among the comparables. This is illustrated by our individual tables and our aggregate table. The impact of the Union proposal would be to move Country Club Hills officers at the three and four year range well ahead of even the highest paid other departments.

---

2001-02 and 2002-03, Riverdale's starting salary was higher. [\$37,542 in 2001 and \$39,794 in 2002; JX 10, Ex. A] Also, Homewood's is higher in each of the three years, but CCH considers Homewood's salaries to be "disproportionately high." [CB 6, fn. 4]

For those officers with five years experience, the City's proposal maintains Country Club Hills relative ranking as No. 3 among the comparables. This is illustrated by our Exhibit 25. For 2001- 2002, Homewood ranks No.1 followed by Flossmoor then Country Club Hills. For 2002-2003, it is virtually a dead heat between Flossmoor and Homewood regarding top pay. Under the City's proposal, Country Club Hills officers with five years experience remain No. 3, at 97% of the top pay.<sup>12</sup>

If we compare the Union's proposal for officers with five years experience to Flossmoor, the compounding/ballooning effect becomes very clear. See Exhibit 26. A Flossmoor police officer who reaches five years during 03-04 will make \$52,343. Under the Union's proposal (and including the 2% longevity), an officer reaching his five year benchmark during 03-04 would make \$56,354. Once again, the Arbitrator can see that the Union proposal is out of step with the marketplace.

---

<sup>12</sup>The Arbitrator notes that these examples and CX 25 appear to be somewhat skewed or a comparison of apples and oranges. For example, Flossmoor does not have longevity pay and CCH has included 2% longevity pay for CCH officers in year 2002-03. Without longevity CCH officer pay would be \$52,361. Under the Flossmoor contract [May 01 to April 05] the top rate receives between 4 and 4 ½ % increases in each contract year--\$52,702, \$55,074, \$57,415 and \$59,711. [JX 1, p. 38] In 2003, Flossmoor's top rate of \$57,415 compares to CCH's proposal of \$53,932 for its officers that year, without a longevity increase. Also, while Homewood has modest longevity pay increases [JX 3, p. 25], the earliest one is after six years so it is not included in CCH's example while the 2% longevity increase is included as to CCH officers.

One of the more misleading aspects of the Union's proposal is the column dealing with maximum salaries. For example, Union Exhibit No. 4 lists maximum salaries including top longevity. Conspicuously absent is Country Club Hills.<sup>13</sup> Under the City's proposal, for the year 02-03 the maximum patrol officer pay including longevity will be \$56,157. For 03-04, that top-out pay will be \$57,842. Under the Union's proposal for 03-04, the top-out pay would go to \$59,254. Once again, this increase is excessive and not in line with the other departments.

The City respectfully submits that no matter how many ways the numbers are analyzed, the results are the same. The City's proposal is the more reasonable one. It is consistent with the comparable municipalities. It better serves the interests of the public health, safety and welfare. The Union's blind insistence upon continuing to increase the entire grid with compound disparities will take the salaries of the Country Club Hills police officers outside of the comparable marketplace. Accordingly, the City respectfully submits that the Arbitrator accept the City's final offer.

### The Union's Evidence and Arguments As to Patrol Officers

---

<sup>13</sup>UX's 3, 4 & 5, on their face, do not appear to include longevity pay in the maximum or top rate columns in those exhibits. Contrariwise, there is a separate column for salary with top longevity. Further, Union counsel stated at the hearing that the longevity column was only for informational purposes and longevity was not included in the maximum salary figures. [T. 61-62]

During the hearing the Union's position, reiterated in its post-hearing brief, is that "wages" breaks down into two issues: [1] the wage scale and [2] the percentage increase to be applied to the scale. [T. 47-48; UX 1; UB 12]<sup>14</sup> During the hearing the Union noted that every contract between the parties since 1987 has included a three-step wage scale where the officers reached "top out" pay after their third year; and that in the past the parties agreed to increase that scale by a negotiated wage percentage. [T. 47-48]<sup>15</sup> In the Union's view, the City's proposal to add a fourth step and to freeze wages during the first two years of the new contract, as to officers with less than four years of service, would be a "breakthrough" or change the status quo, casting the burden on CCH to show good reason to do so. The Union contends that arbitrators are reluctant to "eliminate historical differentials or those which were established in collective bargaining" or to grant demands by either party which changes the balance of terms and benefits produced by collective bargaining.<sup>16</sup>

The Union argues that CCH has not met that burden. It states that CCH did not offer any evidence of operational hardships, problems or reasons why younger officers should require four

---

<sup>14</sup>"The Union reiterates its position that the issue of the number of steps in the salary scale is a separate and distinct issue from the amount of the wage increase to be awarded\*\*\*." [UB 12]

<sup>15</sup>The City does not dispute the past practices, but holds that the past need not be prologue. [T. 40] It adds that such past practice "no longer produces reasonable wage increases." [CB 2]

<sup>16</sup>Quoting or citing at UB 6-7: F. & E. Elkouri, How Arbitration Works, (4th Ed. 1985), p. 816; and Will County Board & Sheriff of Will County & AFSCME Local 2961, (Nathan, 1988). On this issue, the Union also cites [UB 12]: City of Mt. Vernon and the FOP, ISLRB No. S-MA-94-215 (Briggs, 1995) and City of Aurora and Aurora Firefighters Union, Local 99, ISLRB No. S-MA-95-44 (Salkovitz, 1995).

The City recognizes its burden of proof as to "breakthroughs," citing City of Burbank & IFOP, ISLRB Case No. S-MA-97-56 (Goldstein, 1998); and while it concedes that its SLBB proposal is a breakthrough, it does not "believe that its wage proposal represents any sort of a breakthrough." [T. 81-82, 90-91]

rather than three years to reach top salary. Nor did CCH claim or offer any evidence to support an inability to pay its officers who, the Union also notes, are the busiest officers among those in the CC's. [UB 8; CX 7, 8 & 9] In contrast, the Union urges that its proposal would maintain the status quo of a three step wage scale and retain "the historical relationship of [CCH] officers with their peers in other communities\*\*\* [who] would remain in the same relative position with their peers" in the other CC's. [UB 8]

The Union does not dispute the City's computation in CX 19 which shows that under the Union's proposal an officer starting on January 1, 2001 would receive a 54% increase in salary by January 1, 2004 [UB 9], but observes that "the reality is that the parties have always agreed patrol officers should move up rapidly." [UB 9] It notes that under the old contract a starting officer would receive a 46% increase over the contract's term. [UB 8-9]<sup>17</sup> The Union also offers the following table as to the new contract [UB 10]:

<b>PROPOSED SALARY MOVEMENT PER UNION AND EMPLOYER PROPOSALS</b>					
<u>Start</u>	<u>Union</u>	<u>% Increase</u>	<u>City</u>	<u>% Increase</u>	
1/1/01	\$35,873		\$35,873		
5/1/01	\$37,307	4%	\$35,873	0%	
1/1/02	\$42,733	14.50%	\$41,090	14.50%	Step 1
5/1/02	\$44,442	4%	\$41,090	0%	

---

<sup>17</sup>Actually, the Union's computation in this respect under the old contract [UB 8] did not include an officer hired at a starting salary on 1/1/98, probably because the contract in effect prior to the old contract is not in the record. Assuming that the 5/1/98 salary of \$33,569 represented a 3% increase over the preceding contract, the 1/1/98 "Start" figure would be \$32,569. If that figure were included in the Union's computation, then, under the old contract, an officer starting on 1/1/98 would receive a salary increase of about 51% by 1/1/01, a percentage increase quite similar to the Union's current proposal and its 54% increase.

1/1/03	\$49,470	11.30%	\$45,738	11.30%	Step 2
5/1/03	\$51,449	4%	\$46,738	2.2%	
1/1/04	\$55,249	7.30%	\$50,117	7.2%	Step 3
Total Increases		45.1%		35.2%	

The Union contends that the above table shows that [UB 11]:

the City will primarily save money under its proposal by eliminating the annual negotiated rate increase for officers in the steps for two years, then offering a less than market rate increase the third year. Under the current system an officer receives a step increase upon reaching his/her anniversary date during the first three years of service. The amount of the step increase remains virtually the same under each parties' proposal\*\*\*. As proposed by the City, younger officers will receive no annual increase May 1, 2001 or May 1, 2002 and only 2.2% on May 1, 2003.

In "essence," the Union says, CCH would create a "two tier wage package" during this contract's term even though younger officers perform the "full range of duties of older officers;" and the "fact is [that ] the parties have reached an agreement through the years of bargaining that an officer should top out at three years." [UB 11]<sup>18</sup> The Union considers the top out rate as the "most important rate for comparison" [UB 15]<sup>19</sup> and included it in its comparisons of the "Max" or top out rates of the CC's with the rates proposed by CCH and the Union for years 2001-03. [UX 3-5]

---

<sup>18</sup>The record shows that in prior contract negotiations, the City never made a wage schedule proposal similar to the current one. [T. 77-79]

<sup>19</sup>Citing: Village of Westchester & Illinois Firefighters Alliance, Council 1, FMCS #90-23906 (Kossoff, 1991) at p. 6.

The record indicates that, as of 2001, officers in two other CC's top out in three years [Markham and Riverdale], one in 5 years [Flossmoor], three in six years [Glenwood, Homewood and Midlothian] one in seven years [Richton Park] and one in nine years [Park Forest].[UX 3]<sup>20</sup> Union exhibits and explanation [UX 3, 4 & 5; T. 54] indicate that under Local 726's proposal, during the first year of the new contract [2001] CCH's officers would rank third highest among the CC's at the minimum or starting salaries and sixth highest at the maximum [top out] salaries. [UX 3] In 2002, CCH's officers would rank 3rd highest as to starting salaries and sixth as to top out salaries. [UX 4] In the third year of such new contract, CCH's officers would rank third as to starting salaries and fifth as to top out salaries.<sup>21</sup>

As to CCH's argument that under the City's proposal, during the first year of the new contract, its officers with three and four years' experience would be the highest paid among other the CC's [CX 17; T. 39], the Union responds that this proves "absolutely nothing" since the CCH officers "have traditionally been ahead of other officers in [CC's] for many years." [UB 7] To illustrate, the Union notes that in 2000-01 CCH officers were more than \$2000 ahead of Homewood officers in the third year of service, but under CCH's proposal its officers would be almost \$2000 behind Homewood's in the third year of the new contract. [CX 10; UB 7-8]

In conclusion, the Union sums up its position that [UB 12]:

---

<sup>20</sup>Top out is base salary and does not include longevity increases. Hazel Crest is not included in UX 3 as it did not then have a union contract. [T. 37]

<sup>21</sup>The City did not object to UX 3, 4 or 5, "subject to a review for \*\*\*accuracy" [T. 68]. Subsequently, it never raised any questions as to their accuracy. [CB, passim] The same exhibits indicate that comparing the CC's minimum and maximum salaries with CCH's proposal, CCH officers would rank 5th in starting and 8th in top out salaries in 2001, 8th and 9th in starting/max salaries in 2002, and 6th in starting and maximum salaries in 2003. [UX 3, 4 & 5]

the issue of the number of steps in the salary scale is a separate and distinct issue from the amount of the wage increase to be awarded officers by the arbitrator. The City's proposal to extend and freeze the steps will result in an economic windfall for the City. Acceptance would create a radical departure from the historical deal the parties reached at the table. The City has not introduced compelling evidence to support such a change. The Union's proposal to retain the current steps in the salary scale clearly retains the status quo. Without compelling evidence to the contrary, the arbitrator should not alter the prior parties bargaining of the appropriate number of years it should take to reach an officers maximum rate of pay. Such a change should only be reached by the parties at the bargaining table.

#### Wages--The Parties' Evidence and Arguments Regarding Detectives and Sergeants

The Union offered no separate evidence or argument as to detectives and sergeants, relying instead on "past practice" that whatever increase is determined for patrol officers at the top of the schedule shall also be applied to the wage scale for sergeants and detectives. It states that "neither party produced any evidence or questioned \*\*\* this practice\*\*\*" and notes that the "City has not proposed changing the steps for sergeants or detectives." [UB 4, fn. 2; T. 16-17, 51-53] As noted above, the Union's proposal for sergeants and detectives is the same as for patrol officers-- 4% ATB.

The City does not dispute this practice, stating that the "parties have agreed that the increases for the sergeants and detectives have generally followed the same schedule as for the patrol officers." [CB 10] Anticipating that the Arbitrator might find that the City's offer as to patrol officers would be accepted as the more reasonable one, CCH believes that such a finding would compel acceptance of CCH's offer as to detectives and sergeants, which is 3½ %, 3% and 3% ATB. [CB

10-11]<sup>22</sup>

In support of its position that its offer is more reasonable, CCH further observes that all of its sergeants are at or above the second [top] step and most of them have at least 15 years of experience; and that “when maximum longevity is factored in, [CCH] sergeants will be making \$64,441 for 02-03, and \$66,374 for 03-04.” [CB 11; CX 1] It adds that: “These salaries are certainly consistent with the marketplace” and that the “Union has offered no evidence to the contrary.” [CB 11] It further contends that its proposal is “more consistent with the internal comparables,” noting that the parties have agreed that CCH’s non-union employees are getting 3½ % and 3% increases for 2001 and 2002, respectively, and that the police officers are the highest paid City employees [department heads excluded]. [CB 11-12]<sup>23</sup>

## II. The Sick Leave Buy Back Issue

### The City’s Evidence and Arguments on SLBB

The City’s proposal is to terminate the sick leave buy back [“SLBB”] provisions by deleting

---

<sup>22</sup>The City states that there are only two detectives. [CB 11, fn. 6] However, the list of sworn officers [CX 1], which is dated November 12, 2002, states that there are three detectives and five sergeants.

<sup>23</sup>The City does not suggest that its offers as to detectives and sergeants be accepted should its offer as to patrol officers not be accepted.

the second sentence of §12.2 (a) and all of §12.2 (b) of the old contract. [CB 12] The history of SLBB, the creation of an incentive to employees to limit the use of sick days and the City's reasons for eliminating SLBB, were explained at the hearing by CCH's counsel as follows [T. 82-85, 89-90]:

The City over the years has provided a collectively bargained benefit which is paid sick days. The officers in the collective bargaining unit have a number of sick days which are paid by the employers. They have a total of 12 sick days and an additional day which can be used as what the contract calls personal and an additional day which can be used as what the contract calls personal leave or personal day.

The contractual section is Article 12. The use of sick days among this bargaining group is something that has been a concern to the City at the bargaining table for a number of years. The City's position at the bargaining table, both during the two or three contracts that Mr. Falzone has been charged with the responsibility for the Teamsters and at least one contract before that, has been to attempt to determine ways to cut down on the use of sick days by police officers.

To be sure, the Union' position at the bargaining table has always been that if you think sick leave is being abused, you need to police the police. There is a certain amount of truth in that. The difficulties, of course, of policing the police on the casual or individual sick day I think are obvious.

The need to follow somebody or tail him or go to his house after he calls in sick makes it difficult to police the casual use of sick days on an individual basis. Because of that, the City offered an incentive in an effort to curtail the overuse of sick days and that is what is commonly or has been referred to in the proceeding and is commonly referred to by the membership and by myself as the sick leave buy back provision.

As originally or as in the contract in the \*\*\* 1995 through 1998 contract, the City offered to repay officers for their unused sick days at a rate of two-thirds of a day's pay for each day not used. So if an officer had 12 sick days and he had 9 on the books at the end of the year, we would pay him six days pay. The purpose of that incentive from the City's point of view was to cut down the number of sick days. That, of course, is particularly important in a bargaining unit which is a 24 hour a day, 7 day a week operation.

When a clerical worker calls in sick, he or she is sick. When a police officer is sick, the City has a double-barreled compensation obligation. [It] has to pay eight hours pay to the officer who is sick, and in the ordinary course of things, the department has to fill the spot of the sick officer.

That is typically accomplished by either having a volunteer take half of the eight hours or all of the eight hours or requiring one or more officers to either hold over for an extra four hours or come in early an extra four hours. Each sick day then cost the City in the case of the sworn police officer not only the eight hours pay but an additional 12 hours pay for the officer or officers who are summoned in to fill for the sick officer. That is the genesis of the incentive pay.

\*\*\*\*

\*\*\*Section 12.2 kind of gives you the history of this provision as well. As Subsection A recites this benefit was initiated in 1993, and during the last round of negotiations, Subsection B was negotiated into the agreement, and in essence, Subsection B limited the members who would be eligible for the sick leave buy back to those who used five or fewer sick days. So under the current calculation now, you can see year to date 2000 [sic], a majority of these officers are already past the incentive threshold.

The City's position on this is simple, we have now given this matter close to a decade to work to provide cutting down on the sick days. It hasn't worked as our tables have illustrated.

The tables that Mr. Murphey referred to, set forth in CX 21, reflect the "Sick Days Used" by each individual officer; but only the grand total and tabulations of those days are noted here:

	1998	1999	2000	2001	2002 [to 11/7/02] <sup>24</sup>
<b>Total Days</b>	<b>168.5</b>	<b>175</b>	<b>198</b>	<b>236</b>	<b>212.5</b>
<b>Number of Employees</b>	<b>19</b>	<b>19</b>	<b>22</b>	<b>28</b>	<b>27</b>
<b>% of employees who</b>					
<b>used 100% of sick days</b>	<b>21%</b>	<b>53%</b>	<b>45%</b>	<b>32%</b>	<b>15%</b>
<b>% who used 75% of sick days</b>	<b>42%</b>	<b>63%</b>	<b>64%</b>	<b>57%</b>	<b>41%</b>

Mr. Murphey further testified [T. 92-95]:

BY MR. GREEN:

Q You attempted to eliminate the sick leave buy back entirely under the last [1998-2001] collective bargaining agreement, correct?

A Yes, sir.

Q That was rejected, correct?

A It was compromised.

Q No, the proposal to eliminate the sick leave buy back.

A Oh, yes. Yes.

Q And a compromise was reached where you developed a new system for people who use five days or fewer would be eligible for sick leave buy back.

A Yes, sir.

\*\*\*\*\*

Q And as you indicated, the Union advised you during the last round of negotiations that the employer had the full ability to take whatever actions necessary to deal with people that they believed weren't using it just for sick leave, correct?

A Yes, sir.

Q And, in fact, the City has done nothing to -- other than one instance that we are aware of, the City has done nothing to crack down on the use of sick leave abuse; is that correct?

A I'm only aware of one instance of discipline, yes.

Q Okay. And, in fact, the sick leave abuse in this calendar year --in the last two calendar years is down from 1999 and 2000; is that correct?

A I can't comment on this year because it's not over.

Q Well, it's three quarters over, correct?

A Yes.

Q 2001 is down 13 percent from 2000; is that correct?

A \*\*\*yes, that's correct.

Q And the employer has never proposed eliminating sick leave entirely or at all, have they?

A Sick leave benefit?

Q Correct.

---

<sup>24</sup>CX 21 is based on a calendar year. [T. 89; and §12.2 of contract]

A No.

Q And, in fact, it is a benefit, correct? \*\*\*\*\*

A Yes, it's a benefit.

Q And, in fact, the City's lack of enforcement has led employees to look at it as an entitlement; is that correct?

A All I can say to that is I've been told at the bargaining table by one of your negotiators, Officer A----, that he feels those are his days to take when he wants to take them.

Q And Mr. A---- has never been disciplined; is that correct, for use of sick leave?  
\*\*\*\*\*

A No, he's not been disciplined.

Q Okay. And additionally, sick leave is allowed to be used for not only the illness of an individual but a family member; is that correct?

A Yes.

Q And, in fact, the compromise that was reached last time was to pay a higher rate of pay to certain officers who used less sick time; is that correct?

A You mean, the move from 67 percent to 70?

Q Yes.

A Yes.

Q But there was a limitation that was only available to people who used less sick time?

A Yes.

ARBITRATOR WOLFF: Five or less days.

MR. MURPHEY: Five or less, right.

BY MR. GREEN:

Q Because prior to that, you would have to buy back any unused sick time; is that correct?

A That's correct.

Mr. Murphey also indicated that in the past the City has not taken steps, such as obtaining doctors' notes or written excuses, with respect to employees taking "a casual day here or day there," but has dealt with situations where someone is taking a lot of days or a few consecutive days. "It's sometimes difficult to [do so] when the guy is working the midnight shift that calls in sick." [T. 98-99] Because the incentive to use less sick days has failed as to most of the employees, even those who have not abused sick leave would lose the right to sell back unused sick days under the City's proposal. [T. 100]

### The Union's Evidence and Arguments on SLBB

Replying for the Union during the hearing, Mr. Green stated that during the last two contracts the City consistently has raised concern about sick leave abuse. The Union consistently has said that it

neither encourages nor condones sick leave abuse, and that if the City feels it has a problem it should utilize its management rights to discipline abusers. But with one possible exception, the City has done nothing to address the sick leave abuse issue. [T. 106] Continuing, he stated [T. 106-07]:

\*\*\*the Union had also in the prior bargaining suggested that if the employer felt this sick leave buy back approach wasn't working as the carrot, that one of the reasons it might not be working is because they are only offering to pay 60 percent, 70 percent of the buy back, and that, in fact, some employees who might be prone to use all their time might be less prone to use it if the employer would buy back at 100 percent.

That approach certainly was rejected by the employer, which resulted in the compromise in the current collective bargaining agreement. The current compromise was intended to reward those employees who would minimize the use of their sick leave.

We don't think the evidence will show that this current language about sick leave buy back has really any relationship to the abuse issue. That simply [is] the attempt to get rid of the sick leave buy back is an effort by the City to unload a benefit which they no longer like, and it's a deal they wish they hadn't made or they'd like to get out of, but elimination of the sick leave buy back would in no way address the problem that they are suggesting it's addressing.

Quite frankly, we agree it's a breakthrough. It's a benefit that was bargained, and there is no rationale or reason to eliminate it.

The Union contends that the City has not met its burden of justifying a "breakthrough" and the removal of an existing benefit. It argues as follows [UB 19-21]:

Before any reduction in existing benefits is ordered, the City must demonstrate some economic or operational justification for removing or reducing existing benefits. As Arbitrator Milton Edelman stated in response to a similar proposal by the City of Alton, "... caution is the watchword for the arbitrator. It is preferable for an important benefit to be reduced by the parties through negotiation rather than through arbitration. Only if there is ample and convincing justification should the arbitrator undertake this task. The parties know best how to weigh one benefit against another, which to reduce and which to increase." City of Alton and IAAF, Local 1255, ISLRB No. S-MA-96-91.

As in the City of Alton, the City in this matter has provided no objective reason for eliminating sick leave buy-back. No evidence was introduced that sick leave abuse in fact exists. The City's spin is that since most of the officers use most of their sick time each year abuse is rampant. This characterization is quickly undermined by the City's admission that no effort has been attempted to enforce its right to discipline employees for this alleged abuse.

No evidence was introduced by the City that it was facing any type of operational or financial difficulties resulting from the use of sick time. The City did not introduce records which show cost increases as a result of excessive use of sick time; nor did they introduce evidence that their staffing patterns were affected or that they were forced to call in officers on

overtime. What did they produce? Nothing other than a chart that listed how much sick time officers used. This evidence is simply not sufficient to meet the City's burden.

Furthermore, the City's argument is disingenuous and misses the point. The parties agreed in the last round of bargaining to limit sick leave buy-back to those employees who do not use excessive sick time. The prior contract was specifically modified to limit sick leave buy-back to officers who use less than five (5) days [sic]. The City now wants to punish the "good guys" because they believe their original concept of cutting down on use of sick leave did not work. Even if the arbitrator believes that some evidence exists regarding rampant sick leave abuse by the majority of the officers, which the Union clearly believes has not been proven, punishing the officers who have acted like the City wants them to act for the purported sins of their non-complying brethren, is not only mean spirited, there is no evidence that it has any connection to the City's purported goal of slowing down the use of sick leave. In fact, the City's evidence as reflected in CX 21 proves the contrary. The number of sick days used by officers is slowing down from its peak in 1999. [CX 21]

A breakthrough proposal, such as this is one, should be reached by the parties at the bargaining table and should not be awarded by neutral third party. The parties in this matter have reached a reasonable compromise over the years regarding this specific issue. Since the City has not met its burden of proving a compelling reason for change, the arbitrator should leave the arms length deal in place and reject the City's proposal.

## Analysis and Findings of the Arbitrator

### I. Wages

First, I agree with the Union that there are two separate main wage issues,

one as to the schedule or years to achieve top out salary and one as to the percentage increase that may be applied. As to the first issue, I must disagree with the City that its attempt to stretch the schedule for topping out from three to four years does not constitute a breakthrough. As the City itself observed: “What is really important is how fast one moves and how many years it takes to move to the top of the schedule.” [CB 5-6] It appears that from the initial collective bargaining agreement, the top out salary at CCH has always been achieved after three years. Two other CC’s have bargained for top out base salaries after three years, while others top out after 5, 6, 7 or 9 years of service. [UX 3, 4 & 5] All of those CC’s have collective bargaining agreements and the years for topping out, as here, have been bargained out. The time frame to top out is clearly a significant benefit and ought to be altered, if at all, by the parties themselves and not by an arbitrator.<sup>25</sup>

---

<sup>25</sup>As Arbitrator Goldstein said in City of Burbank (ISLRB Case No. S-MA-97-56; 1998), pp. 9-11: “At its core, interest arbitration is a conservative mechanism of dispute resolution\*\*\* intended to resolve an immediate impasse, but not to usurp the parties’ traditional bargaining relationship. The traditional way of conceptualizing interest arbitration is that the parties should not be

---

able to obtain in interest arbitration any result which they could not get in a traditional bargaining situation. Otherwise, the entire point of the process of collective bargaining would be destroyed and parties would rely solely on interest arbitration rather than pursue it as a course of last resort<sup>\*\*\*</sup>. [T]here should not be any substantial ‘breakthroughs’ in the interest arbitration process. If the arbitrator awards either party a wage package which is *significantly* superior to anything it would likely have obtained through collective bargaining, that party is not likely to want to settle the terms of its next contract through good faith collective bargaining.” See also the cases cited therein in support of those views.

Further, when a party achieves a significant benefit during bargaining, there is usually a *quid pro quo*; and it is not disputed that there was a *quid pro quo* by the Union to achieve a three year top out. [T. 49]<sup>26</sup> The record here does not indicate that the City offered the Union any *quid pro quo* in exchange for giving up the *status quo* on the salary schedule. But the record does show that prior to the current proposal, the City had never sought in the bargaining process to increase the schedule to four years from three. [T. 78-79] That process is the most appropriate place to obtain a change in the *status quo* of a significant benefit previously achieved in bargaining.

While it is true that it is not impossible to obtain a breakthrough in interest arbitration, the party seeking it must provide persuasive evidence of the need for such a change. City of Burbank, supra at 12-13. However, I find no such evidence here. The main thrust of CCH's case is that under the Union's proposal, an officer hired on January 1, 2001 will achieve a 54% salary increase by January 1, 2004. But such large percentage increases are the natural consequences of a compressed wage schedule and that compression has always existed under the parties' contracts. Thus, under the old contract, 1999-2001, an officer hired on January 1, 1999 would [and did] garner a 51% salary increase by January 1,

---

<sup>26</sup>Another illustration of how a *quid pro quo* is given to achieve a significant benefit during collective bargaining is shown by the recent tentative agreement between Local 726 and one of the CC's where the Union agreed to a longer contract in exchange for relaxation of residency requirements. [JX 5A, p. 3]

2001. Further, the City has not suggested that it cannot afford to maintain a 3-year top out schedule. Three-year top out schedules are not unusual or unheard of; two of the CC's have them. Considering all of the other pertinent factors under the IPLRA, I can find no basis to support CCH's position on this economic issue.

Turning to the second wage issue regarding which party's percentage increase is more nearly in compliance with the applicable factors, the matter is somewhat more complicated since the City's proposal contemplated a 4-year top out schedule rather than three and, as to officers with less than four years' service, offered no wage increases for the first two years of the new contract.<sup>27</sup>

In considering this issue, the most significant factor is the comparison of the proposals with the wages of the officers in the comparable communities. [See, City of Burbank, supra, at pp. 13-14; and Village of Westchester, supra at p. 4] In presenting comparisons of their offers with those of the CC's, the parties' focus differed. The City placed emphasis on the officers with less than four years' service, while the Union emphasized the officers already at the top out rate. In my view, the Union's focus places the picture in proper perspective. As stated by Arbitrator Sinclair Kossoff in Village of Westchester, supra, at p. 6: "The top rate is also the most important rate for comparison because the greatest concentration of

---

<sup>27</sup>I cannot agree with the City's view that its proposal does not contemplate a "wage freeze." The fact is that the City's last offer does not provide for any wage increase for patrol officers in the first and second years of the new contract. As a "rose is a rose," the City's last offer is a wage freeze during the first two contract years.

employees is at the top, and in the normal course all employees will\*\*\*reach the top.” The City appears to be in agreement with this view, having stated that: “With the normal attrition and turnover in any suburban police department, salary negotiations have always been driven by the majority of the membership--those officers at the top step. The parties negotiated contracts which focused on wage increases for the top step patrol officer.” [CM 3]

There is a significant difference in the manner in which the Union and City presented the comparisons of their wage proposals with the wages in the CC’s. The Union’s exhibits included a comparison of its and the City’s proposal with the minimum or starting rate and with the maximum or top out rate, excluding any longevity increases which are not at issue here. However, the City’s exhibits did not make comparisons with the top out rates in all of the CC’s. The Union’s comparisons began with year 2000 in order to give a “base line.” [UX 2; T. 54] That exhibit shows that as to starting salary the average of the nine CC’s was \$35,049. CCH’s starting salary, \$35,873, was about \$800 over the average but second highest in rank. As to top out rate, CCH’s of \$49,117 was ranked 6th but above the average of \$48,048. [UX 2] For 2001, the first year of the new contract, the Union’s proposal for starting salary of \$37,307 ranked 3rd highest out of ten while the average for the nine CC’s was \$36,463. As to top out salary, the Union’s \$51,081 ranked 6th highest while the average of the nine CC’s was \$50,520. [UX 3]<sup>28</sup>

---

<sup>28</sup>This exhibit also shows that under the City’s proposal, its officers would drop in rank to

For year 2002, the Union's proposal for starting salary of \$38,799 ranked 3rd highest out of ten while the average for the nine CC's was \$37,621; and as to top out salary, the Union's \$53,124 ranked 6th highest while the average of the nine CC's was \$52,525. [UX 4]<sup>29</sup>

For year 2003, the Union's proposal for starting salary of \$40,350 ranked 3rd highest out of ten while the average for the nine CC's was \$38,634 and as to top out salary, the Union's \$55,248 ranked 5th highest while the average of the nine CC's was \$54,330. [UX 5]<sup>30</sup>

On the other hand, the City's comparative figures, set forth in "omnibus" table [CX 24], supra, pp. 8-9, emphasize the intervening years, 1 to 3, in its proposal, and more importantly, in the 4th year they do not match the proposals against the top rates in most of the CC's because most of the CC's top rates do not occur until the 5th or later year. Accordingly, I find that the City's comparisons do not offer a fair representation as to the top rate, the rate which is most significant.

---

5th and 8th as to start and top rate salaries, respectively.

<sup>29</sup>This exhibit also shows that under the City's proposal, its officers would drop in rank to 8th and 9th as to start and top rate salaries, respectively.

<sup>30</sup>This exhibit also shows that under the City's proposal, its officers would drop in rank to 6th as to both start and top rate salaries.

In any event, I find from the Union's exhibits and explanations thereof, that the Union's proposals essentially do no more than keep CCH's officers in about the same relative position as the officers in the comparable communities. Given that the City does not assert an inability to pay, that the City proposes a wage freeze for two years [which would also certainly be a breakthrough], and that the City's officers are the busiest or most productive in terms of calls answered, I must, except as noted below, reject CCH's wage proposals.

It does not follow, however, that the Union's proposed increases of 4% ATB must be accepted. In the past, when it appeared appropriate, I have considered each contract year as a separate economic issue. See, Village of Maywood & Illinois Firefighters' Alliance, ISLRB No. S-MA-92-102, FMCS No. 92-1110 (1993), pp. 15-16. Therefore, it is not necessary to accept the Union's proposal for a 4% increase ATB in each contract year; rather each year may be considered separately.

In this case the parties have given virtually no attention to another important factor that must be considered: the "cost of living." The Union never mentioned this factor and the City did so only in passing, noting that its proposal of 3½ %-3%-3% for officers with four or more years of service "is greater than the rate of inflation." [CM 5] In the City's fiscal year ending April 2001, the Consumer Price Index ["CPI"] in the Chicago-Gary-Kenosha Urban areas increased 2.7%. In the following year, May 2001 to April 2002 [the first year of this contract], it

increased less than 1%--namely, .06%." [Appendix A]<sup>31</sup> For the eleven months from May 1, 2002 through March 2003 [i.e., 11/12ths of the second contract year] it increased only 1.8%. [Id.] Given these facts, it would be difficult to find that 4% ATB is "reasonable," except for the fact that it is more reasonable than CCH's offer of 0.0% during the first two years of the contract.

Accordingly, and giving due consideration and appropriate weight to all of the relevant factors, I find as follows with respect to the wage increase issue. The Union's offer of 4% ATB for the first two years of the contract is accepted. As for the third year of the contract, I find that the City's offer is accepted. The latter offer was not in percentage terms. It was to increase the starting salary from its proposed \$35,873 in 2002-03 to \$37,000 in 2003-04. This is an increase of \$1127 or 3.1%. That 3.1% is the increase to be applied to what the start salary will be under the accepted Union's proposal at the end of the second year of the contract. This is computed as follows: start salary at end of old contract [\$35,873] x 1.04= \$37,308 for the first year of the new contract, x 1.04= \$38,800 for the start salary in the second year, x 1.031= \$40,003 for the start salary in 2003-04.

The salaries for the third year of the contract as to employees with one to three years of service shall be computed in similar manner except that the percentage increases will be somewhat less due to the fact that the City offered

---

<sup>31</sup>Appendix A is a copy of the monthly CPI's from January 1999 through March 2003 obtained by the Arbitrator from the Bureau of Labor Statistics on April 17, 2003.

only a flat \$1000 increase to officers with 1, 2 or 3 years of service. Those increases in percentage terms are 2.4%, 2.2% and 2.0%.<sup>32</sup>

Accordingly, the patrol officers' salaries for the new contract shall be as follows:

	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>
Start	\$37,308	\$38,800	\$40,003
1 year's service	\$42,734	\$44,443	\$45,510
2 year's service	\$47,568	\$49,470	\$50,558
3 year's service	\$51,082	\$53,125	\$54,188

The question remains as to the wages for detectives and sergeants. As noted above, the Union offered no evidence or argument on its 4% ATB wage proposal for detectives and sergeants, relying instead on the undisputed past practice under which the latter employees received whatever increase was determined for patrol officers at the top of the schedule. The City offered the detectives and sergeants 3½%-3%-3% ATB on the assumption the Arbitrator would accept its offer as to top rate for patrol officers after four years. However, the latter offer was not accepted. In any event, given the established past practice which is not in dispute and which would require a breakthrough to change [and for which change there is no supporting evidence in the record], I find that the past practice must be applied here. That requires that detectives and sergeants receive 4% increases for year 2001 and 2002 and lesser increases just as the patrol officers receive in 2003. Accordingly, their

---

<sup>32</sup>The computations for those with 1, 2 and 3 years' service are as follows: [1] \$1000 divided by \$41090=2.4%; [2] \$1000 divided by \$45,738=2.2%; and [3] \$1000 divided by \$49,117=2.0%.

wages under the new contract shall be as follows:

	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>
Detectives			
0 to 1 year	\$51,672	\$53,739	\$55,405
1 to 2 years	\$52,691	\$54,798	\$56,113
2 to 3 years	\$54,300	\$56,472	\$57,714
Sergeants			
0 to 1 year	\$54,656	\$56,842	\$58,604
1 to 2 years	\$58,618	\$60,962	\$62,425

## II. The Sick Leave Buy Back Proposal

As already noted, on this issue the City concedes that its proposal is a “breakthrough” which places a heavier burden on it. For several reasons, I find that CCH has not met its burden. First, it is significant to observe that the parties agreed to amend the SLBB provisions in the old [1999-2001] contract. They did so by placing a restriction on who would be eligible for selling back their unused sick days, viz., only those who used five or less sick days. The City wanted such provision in hopes that it would act as an incentive to employees to use less sick days. As *quid pro quos* for such limitation, the City agreed to increase the amount paid for unused sick days from 67% to 70%; and it also agreed to cooperate with the Union in establishing a Post-Employment Health Plan [PEHP] under which employees could direct 50% of the cash value of their SLBB into a deferred compensation plan. See §§12.2 (b) and (c) of the old contract, supra, p. 3. Having just negotiated these contract benefits, benefits intended in part to redound to both the employees and the City, while also placing a restriction on the employees, the City must demonstrate significant reasons for altering them now. This it has failed to do. By taking away SLBB altogether, as the City wants to do, it would deprive those who comply with the 5-day or less requirement from obtaining SLBB. It would also

deprive those who would be entitled to SLBB from obtaining the newly agreed upon provision for creating a deferred compensation plan. But the City has offered no *quid pro quo* in exchange for employees giving up their SLBB benefit.

Second, contrary to CCH's assertion, it appears that the incentive/restriction attained under the old contract appears to be working: less sick days are being used by the employees. Thus, CX 21 [supra, p. 21] shows that the number of employees who consistently used 100% of their sick days shrunk from 53% in 1999 to 45%, 32% and 15% in 2000, 2001 and 2002, respectively, and those who used 75% of their sick days shrunk from 64% in 2000 to 57% and 41% in 2001 and 2002, respectively. That exhibit also shows that the average number of sick days used per employee was shrinking from 9.3 in 1999 to 9, 8.4 and 7.9 in 2000, 2001 and 2002, respectively. It also indicates that there was a trend in which the number of employees using 5 or less days was increasing from 3 in 1999 to 7 and 10 in 2000 and 2001 although there was some slippage to 8 in 2002.

On this record I cannot find any compelling reason to deprive the employees of the SLBB benefits that they have bargained for; and the City's proposal to do so is rejected.

Award

For the reasons set forth in the Opinion, which Opinion is incorporated by reference in the Award, the Arbitrator awards as follows:

[1] The City's proposal to eliminate Sick Leave Buy Back is rejected and the City shall comply with §12.2 ( c ) of the contract.

[2] The wages for the new contract shall be as follows:

	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>
<u>Patrol Officers</u>			
Start	\$37,308	\$38,800	\$40,003
1 year's service	\$42,734	\$44,443	\$45,510
2 year's service	\$47,568	\$49,470	\$50,558
3 year's service	\$51,082	\$53,125	\$54,188
<u>Detectives</u>			
0 to 1 year	\$51,672	\$53,739	\$55,405
1 to 2 years	\$52,691	\$54,798	\$56,113
2 to 3 years	\$54,300	\$56,472	\$57,714
<u>Sergeants</u>			
0 to 1 year	\$54,656	\$56,842	\$58,604
1 to 2 years	\$58,618	\$60,962	\$62,425

[3] The Arbitrator will retain jurisdiction for thirty [30] days for the limited purpose of correcting errors, if any, that he may have been made in the computations in this Award.

---

Aaron S. Wolff, Arbitrator

Entered at Chicago, Illinois  
this 28th day of April, 2003