

**BEFORE
EDWIN H. BENN**

In the Matter of Arbitration between)	
)	
)	
VILLAGE OF MORTON GROVE,)	
)	
Employer,)	
)	Arb. Ref. 07.197
and)	(Interest Arbitration)
)	
FRATERNAL ORDER OF POLICE)	
LABOR COUNCIL)	
)	
Union)	

AWARD

Based upon the parties' presentations and arguments, the following award is entered:

1. Salaries.

- Effective January 1, 2006, increase salaries across-the-board by 3.5%, plus an additional 0.75% as consideration for the changes in Article XIX.
- Effective January 1, 2007, increase salaries across-the-board by 3.5%, plus an additional 0.75% as consideration for the changes in Article XIX.
- Effective January 1, 2008 -- Increase salaries across-the-board by 3.5%, plus an additional 0.75% as consideration for the changes in Article XIX.

Employees who are still on the active payroll the beginning of the next payroll period immediately following ratification of this Agreement by both parties shall receive retroactive payment, as well as employee who retired on or after January 1, 2006. Payment shall be on an hour for hour basis for all hours worked since January 1, 2006.

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2. Longevity Pay -- Effective January 1, 2007, increase amounts as per the following:

<u>Years of Service</u>	<u>Amount</u>
10	\$850
15	\$1,100
20	\$1,600
25	\$2,100

3. Shift Exchanges (Section 11.6) -- Add the following new sentence at the end of the first paragraph:

There shall be no double switches.

4. Floating Holidays (Section 17.2) -- Add the following new sentence at the end of Section 17.2.A:

If the Village, at its sole discretion, changes the number of patrol officers assigned to any of the above shifts in a manner that significantly decreases or increases the number of opportunities to request floating holidays on the affected shift(s), the Village shall adjust the minimum manpower definition set forth above to the extent necessary to provide a substantially similar number of opportunities to make such requests on the affected shift(s) as existed prior to such change.

5. Sick Leave Incentive Program (Section 18.2) -- Status quo except delete subsection C and revise subsection B to read as follows:

- B. employees may cash in these days to permit an early retirement with full compensation based upon the number of early accrual days recorded at the time the employee became eligible for the appropriate retirement program or in the event of an employee's death prior to retirement, the amount shall be paid to the employee's designated insurance beneficiary.

6. Group Hospitalization Insurance (Section 19.1) -- As per the attached.

7. Retirees (Section 19.2) -- As per the attached.

8. Post Employment Health Benefit Plan (Section 19.3) -- Add the following new section:

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A PEHB Plan will be established with a target date for implementation as soon as reasonably practicable after ratification of this Agreement, which plan shall be subject to negotiations between the parties to this Agreement. Effective December 31, 2008, the Village shall make a \$400 annual contribution, payable in January of each year, into an account for each bargaining unit employee hired after January 1, 2007 to reimburse the employee for eligible post-employment health care costs or to reimburse the employee for eligible health care expenses if the parties are unable to agree upon a PEHB Plan.

9. Uniforms (Section 20.3) -- Add the following new paragraph:

If the Village makes any changes or additions to the list of mandatorily required uniform items, the Village will pay for the cost of the first issue unless the change(s) are the result of requests by Union members.

10. Appendix C -- Permanent Patrol Shift Selection

- Delete the Introduction and insert the following:

This Appendix shall form the basis for a departmental general order which order shall be expressly referenced in the Agreement. Such order and this Appendix shall be subject to the Grievance Procedure including the Arbitration Step (Step 4).

- Revise the last sentence of Section 2 (Probationary Officers) to read as follows:

At the completion of the probationary period, said employees shall select their shift assignment at the next annual shift selection.

11. Other Initialed Items -- Incorporate into the new 2006-2008 agreement all of the following initialed items:

- Section 3.1 (Equal Employment)
- Section 3.2 (Non-Discrimination)
- Section 6.3 (Stipulation of Issues)
- Section 7.18 (Discipline Record)
- Article 8 (Grievance Procedure)
- Section 7.19 (Personnel File)
- Section 17.1 (Holidays)
- Section 18.4 (Bereavement Leave)
- Section 20.6 (Education)

12. Term -- January 1, 2006 through December 31, 2008.

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13. Status of Other Proposals -- All other proposals submitted by either party during the course of negotiations will be dropped.
14. As requested by both parties, the Arbitrator will retain jurisdiction for sixty (60) days if there are any issues concerning the incorporation of this interest arbitration award into the parties' 2006-2008 collective bargaining agreement.

Section 19.1 Group Hospitalization Insurance

The Employer shall provide and maintain for all employees and their dependents a group health care benefit program which shall include hospital, surgical and major medical benefits on an in-patient and out-patient basis. It is understood the Employer shall maintain the right to change carriers, benefits or to establish a self-insurance plan in whole or in part for the purpose of providing benefits, provided the new basic coverage and basic benefits are substantially similar to those in effect on January 1, 2006 or as hereinafter modified. It is further understood the Employer will continue to administer the health insurance program and may from time to time make administrative changes.

Effective January 1, 2008, or as soon thereafter as practicable, unless a later effective date is specified below, and provided that the same changes are implemented for the Village's unrepresented employees, the following changes shall be implemented for the Village's Group Health Insurance Program:

		PPO	NON-PPO (i.e., out of network)
		Ind./Family	Ind./Family
Deductible	Eff. 1/1/08	\$200/\$600	\$200/\$600
	Eff. 7/1/08	\$250/\$750	\$250/\$750
Co-Insurance (For all covered services)		90%/10%	70%/30%
Out of Pocket Max		Ind./Family	Ind./Family
	Eff. 1/1/08	\$600/\$1,800	Status quo
	Eff. 7/1/08	\$750/\$2,250	
Lifetime Maximum		\$5,000,000	\$5,000,000

(A PPO participant may opt to be covered under a Village HMO at any open enrollment period, and have lifetime maximum unlimited coverage.)

Prescription Drug	Eff. 1/1/08	\$10, \$30, \$45	75 % of eligible
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Co-payments	30 day retail	charge after following co-pays: \$10, \$30, \$45 30 day retail
	\$20/\$60/\$90 Mail order (90 days)	\$20/\$60/\$90 Mail order (90 days)
	\$50 injectables \$100 mail order (90 days)	\$50 injectables \$100 mail order (90 days)
Emergency room Eff. 1/1/08	\$100 (waived if admitted)	\$100 (waived if admitted)

HMO*

Prescription Drug Eff. 1/1/08 Co-payments	\$5, \$15, \$30 30 day retail
	\$10/\$30/\$60 Mail order (90 days)
	\$50 injectables \$100 mail order (90 days)
Emergency Room Eff. 1/1/08 Co-payment	\$100 (waived if admitted)

Except as provided in the current HMO plan in effect during calendar year 2006 or as provided above, there shall be no other deductibles or co-pays for the HMO.

*Lifetime maximum shall remain unlimited.

Employees shall be responsible for payment of ten percent (10%) of the premium cost for the coverage selected and for payment of any applicable non-covered expenses, provided that the Village's unrepresented employees are paying at least the same percent of the premium cost for the coverage selected. Said employee premium payments shall

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be deducted from the participating employee's paycheck. The Village shall be responsible for payment of remaining portion of the premium cost.

Coverage for employees age sixty-five (65) or older, and for their spouses age sixty-five (65) and older (irrespective of the age of employee) shall be no less than in effect for current employees (subject to the aforementioned Employer rights), unless Medicare benefits and service levels are adjusted in which case the Medicare Supplemental Benefits may be adjusted accordingly.

The Village may offer additional health insurance programs to employees. Employees, at their option, may select participation in any future alternative health care programs provided by the Village on the same terms and conditions that are in effect for the Village's unrepresented employees.

Section 19.2 Retirees

Employees who retire from the police department because of age and service or disability and employees who have previously retired from the police department because of age and service or disability shall, along with their spouses and dependents, remain eligible for coverage under the group health care benefit program described in Section 19.1, provided they maintain coverage under said program upon retirement. If such coverage is discontinued or terminated, the retiree and/or dependent(s) will not be eligible to resume coverage at some later date.

For an employee who retires from the police department because of having attained the requisite years of service, but who has not yet attained the requisite age necessary to receive benefits pursuant to the *Illinois Police Pension Fund*, such retiree shall not become eligible for the benefits of this section until said retiree has attained the aforesaid requisite age, after which such retiree shall become eligible for such benefits, provided that such retiree who has not yet attained the requisite age must remain in the Village's Group Health Care Program by paying the then current premium.

All current retirees, and their dependents, or surviving spouses and surviving dependents who are not covered by the Village's health care benefit program pursuant to this Section 19.2 as of the date this 2006-2008 collective bargaining agreement is ratified by both parties will be provided written notice and given a one-time opportunity to resume coverage under such program by providing the Village in writing their decision to resume coverage not later than sixty (60) days after the date they receive notice from the Village.

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Surviving spouses of employees (or retirees) and surviving dependents of employees (or retirees) shall also be covered by such program, subject to the eligibility provisions set forth above.

- i. For employees who retired from the police department because of age and service or disability on or before July 1, 2007, and their dependents, the Village shall pay fifty percent (50%) of the cost of the premium.
- ii. For employees hired on or before January 1, 2007, who retire from the police department because of age and service or disability, and their dependents, the Village shall pay for the cost of the premium as follows:

<u>Tier</u>	<u>Hiring Date</u>	<u>Village Percentage of Cost of Premium</u>
1	On or before January 31, 1993	50%
2	Between 2/1/1993 and 12/31/2001	45%
3	Between 1/1/2002 and 1/1/2007	40%

If this Memorandum of Agreement is ratified, employees who are in Tier 2 on the date this 2006-2008 Agreement is ratified by both parties shall receive a one-time ratification stipend of \$600.

If this Memorandum of Agreement is ratified, employees who are in Tier 3 on the date this 2006-2008 Agreement is ratified by both parties shall receive a one-time ratification stipend of \$1,200.

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- iii. Employees hired after January 1, 2007, and who retire from the police department because of age and service or disability shall, along with their dependents, have the right to continue their coverage under the group health care benefit program described above upon retirement. Such employees shall pay the then current premium for such continued coverage.
- iv. Persons covered in this Section 19.2 upon becoming Medicare eligible (currently age 65) shall remain eligible, at their option, to be covered by the Village's supplemental Medicare policy by paying the then current premium.



Edwin H. Benn
Arbitrator

Dated: September 12, 2007