

**BEFORE  
JAMES R. COX  
INTEREST ARBITRATOR**

**METROPOLITAN ALLIANCE OF POLICE,  
HAWTHORN WOODS CHAPTER 483**

**and**

**Case No. S-MA-08-118**

**VILLAGE OF HAWTHORN WOODS**

**DECISION AND AWARD**

The Hearing in this matter was conducted by the Arbitrator in Chicago, Illinois December 3, 2008. Attorneys Michael Kralovec and Joe Lemersal represented Hawthorn Woods. The Metropolitan Alliance of Police case was presented by Attorney Ronald Cicinelli. Post Hearing Statements were filed February 13, 2009.

All procedural prerequisites for Interest Arbitration have been met. This matter has been properly placed before me for final and binding determination. My findings are based upon applicable factors set forth in Section 14(h) of the Illinois Labor Relations Act.

**The Issues**

Negotiations have been both comprehensive and protracted. The Parties have reached Tentative Agreements on a number of issues which are to be incorporated into the Labor Agreement. Two unresolved economic issues have been placed before the Arbitrator for determination here – (1) Wages,<sup>1</sup> and (2) Paid Sick and Personal Leave time. While there may be a more equitable resolution, the Arbitrator must select one of the final positions on each issue. The Statute provides that the “*The Arbitrator, in making determinations on economic items*

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<sup>1</sup> A third issue involving compensatory time was resolved during the course of the Arbitration Hearing. During the course of the Arbitration Hearing, the comp time issue was resolved. See pp 81 – 86

*under the Statute, must chose either the Union or the Village final position on each issue. He may not modify or restructure either. At or before the conclusion of the hearing held pursuant to subsection (d), the arbitration panel shall identify the economic issues in dispute, and direct each of the parties to submit, within such time limit as the panel shall prescribe, to the arbitration panel and to each other its last offer of settlement on each economic issue. The determination of the arbitration panel as to the issues in dispute and as to which of these issues are economic shall be conclusive.”*

### **The Bargaining Unit**

This is a first Contract. The Metropolitan Alliance of Police, Hawthorn Woods Police Chapter 483, was certified December 26, 2006 to represent “*All sworn patrol officers of the Village of Hawthorn Woods*” Hawthorn Woods covers a 12-square-mile area and has a population approximating 7,500<sup>2</sup>. This primarily residential Village is bordered by Lake Zurich, North Barrington, Wauconda, Mundelein and Long Grove.

There are three Administrative Departments. The Village Administrator and personnel who have responsibilities associated with Parks and Recreation and Building Department functions are in Administration. Public Works consists of a Director and full-time subordinates. The Police Department, the third Administrative Unit, is staffed with the Chief, a Commander, four Sergeants, a Civilian and the four Patrol Officers in this Bargaining Unit. Minimum on duty staffing in the Department, according to the Mayor, is two Police Officers. Of eighteen current Village employees<sup>3</sup>, eleven, including the four in this Bargaining Unit, are in the Police Department.

### **Financial Concerns**

In dealing with a prospective deficit in November 2007 of \$760,000, the Village instituted the first stage of substantial cutbacks in employment. Four months later, as a consequence of continued falling revenues from home building activities, additional layoffs and expense reductions were implemented. In just a short time, 40% of the Village workforce had been curtailed and Board members’ salaries eliminated. All Village employees’ salaries were frozen in 2008. Employees were informed that there would be no raises in 2009.

Additional adverse financial factors were cited. Homeowners were reportedly not paying their taxes promptly. There has been a decreased return on investments. There were extremely significant declines in interest rates and there is an anticipated further downturn in the already relatively small sales tax revenue this Village receives.

In what was referred to as a “*stub budget*” covering the period May 2008 until December 2008<sup>4</sup>, projected revenues were expected to be \$2,686,945. At the time of the December 2008

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<sup>2</sup> As Reported in Kildeer 2008 Salary Survey

<sup>3</sup> Employment levels are said to range between 18 and 20.

<sup>4</sup> The shortened fiscal year prior to the transition to a calendar fiscal year in January 2009.

Arbitration Hearing, a revised forecast showed revenues were expected to fall further during that period to \$2,580,000.

## Comparatives

### Internal Comparables

Maintaining parity between the wages and benefits of Officers in this Law Enforcement Unit and all other Village Employees is a prime concern of Hawthorn Woods. For salary administration reasons, they seek to maintain the wage differential between Patrol Officers and their Supervisors, an interval which would be eroded were Patrol Officers to receive greater percentage increases than provided higher ranked Officers and other Village employees during the Contract term.<sup>5</sup> Since there had not been any increase in Village employee salaries in 2008 and none have been scheduled in 2009, Hawthorn Woods emphasizes that their final wage offer would provide Officers in this Unit with the same percentage wage increases granted other employees since May 2007 – 3%.

In costing the Union proposal, the Village adds in wage/benefit spillover effects, sometimes referred to as the ripple effect. Hawthorn Woods is concerned about the effects of an increase, whether it be the additional paid time off sought or the Union proposed wage raise, not only upon the Police Department Budget but upon the compensation of other Village employees. For example, Hawthorn Woods estimates that, with each additional paid day off, Village costs would increase \$11,000 if they were to pass that same benefit liberalization on to non-represented employees. I do not recognize that argument. Extending benefits negotiated in this bargaining Unit to non bargaining Unit employees is obviously not required and not an appropriate cost factor. While it is not uncommon for Arbitrators to give weight to Employer wide benefit policies as Pension or Insurance Plans, I do not know of any Awards where spill over considerations were used as a basis for wage determination in Interest Arbitration.

### External Comparables

In an effort to bring objectivity to the determination of labor market salary levels, Interest Arbitrators place great reliance on wages and benefits received by similarly situated employees in comparable communities<sup>6</sup>. Reaching agreement on which communities are comparable is a vital first step in the Interest Arbitration Process.

The Union identified the following municipalities for consideration as comparables: Wauconda, Round Lake Beach, South Barrington, Round Lake, Lake Bluff, Island Lake and

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<sup>5</sup> Of course, Supervisors' wages could also be adjusted.

<sup>6</sup> Under the Statute, the wages, hours and conditions of employment to be compared are those of "other employees performing similar services and with other employees generally in public employment in comparable communities...".

River Woods. As noted in their Brief, the Village points out that, if Riverwoods and South Barrington were removed from that Group, the average population in the remaining Towns would be about twice that of Hawthorn Woods.

Hawthorn Woods maintains that the following municipalities should be used as comparable - Cary, Harvard, Island Lake, Marengo, Johnsburg and Highwood. Assessing relevant comparative factors, I find Village comparables to be more representative than those suggested by the Union. Except for Cary, each has populations closer to that of Hawthorn Woods. Harvard had financial problems not unlike Hawthorn Woods, in terms of having experienced an abrupt loss of a major revenue source in recent years.

Several Union Comparables have large sales tax revenue generators missing in Hawthorn Woods. As the Mayor pointed out, there is substantially greater present and potential sales tax revenue in nearby Wauconda with their Shopping Centers, a Car Dealership and an established downtown retail area, financial attributes lacking in Hawthorn Woods. Most of the Union comparables have a substantial number of retail stores. Some have box stores like Home Depot can generate sales tax revenue many times greater than the combined few retail businesses in this Village. Lake Bluff has three car dealerships. South Barrington has substantial recent retail development. Round Lake and Island Lake are also strong in retail with a number of large food stores. I appreciate that the current economic downturn has adversely affected municipal revenue from retail stores in all of the Comparables and would have a major impact on all Village budgets.

There is relatively little sales tax revenue from the remarkably few retail businesses in this municipality.<sup>7</sup> Revenue is primarily derived from Real Estate Taxes, fines from law enforcement, permits and impact fees and from a portion of State Income and Personal Property Taxes. While Hawthorn Woods does not match up in sales tax revenue, their housing stock has experienced significant increases in Equalized Assessed Value over the past three years.

The Village maintains that comparable Labor Agreements, even those they have advanced, have little relevance because of the Hawthorn Woods' serious financial condition. They state that Labor Agreements entered into before 2008 are not analogous because the supervening recession has been accompanied by an extreme downturn in housing values, a development to which the revenues used to support operations in this Village were especially vulnerable. However, as seen from the Chart below<sup>8</sup>, the Police Department Budget in Hawthorn Woods is a relatively small percentage of EAV despite what would appear to be an adequate tax basis. It appears that over the years, as a matter of policy, the Village has principally relied upon revenues from Builders and Developers in the form of permits, annexation and connection fees and not upon real estate tax revenue. Those sources of revenue had been more than adequate to support operations until the downturn in the building industry the past two years. At one point 75 cents of every revenue dollar was associated with some aspect of housing development<sup>9</sup>.

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<sup>7</sup> The only retail businesses are two pizza restaurants, a gas station, a bank and a dry cleaner.

<sup>8</sup> Derived from data on the 2008 Kildeer Survey provided by the parties.

<sup>9</sup> In connection with the development of the community, a major builder, as part of an annexation agreement, was obligated to pay the Village \$1 million dollars per year for six years for roadway improvements. That road improvement program commenced in 2002. Presently there are substantial costs for road improvement and maintenance.

Thereafter, the revenue stream - including annexation fees from Developers and Builders - dried up. While as of November 2006, there had reportedly been \$4 million in new housing activity, not a single permit issued in September 2008. The potential for Commercial and large scale Retail Development did not materialize.

The Village maintains that they presently have limited expectations of increasing revenue through tax increases.<sup>10</sup> Pointing out that the Village is not a home-ruled municipality and consequently has limited sources of revenue, they recount that, despite their efforts, “*almost every single local referendum concerning an operating or budgetary purpose was defeated*”. Nonetheless, EAV continues to rise. There was no evidence of efforts to increase real estate tax revenue in 2009 and 2010.

Hawthorn Woods does not make an inability to pay claim here. The differential in dollars between the Union proposal and that of the Village for the four members of this Bargaining Unit will, by itself, have little impact upon the overall Village wide Budget. It is noteworthy that the Budget for the Police Department which includes all expenses, including salary and benefit costs for Patrol Officers, is a relatively low percentage of EAV when compared to other Municipalities selected by the Village for their comparable group.

The Village has presented convincing evidence that operating revenues are limited. Adding credibility to their position are the substantial 2007 and early 2008 cutbacks in Village employment and the imposition of a Village wide wage freeze. However, there was no indication of the extent of cost savings in the Police Department achieved through those extensive employee cut backs, especially savings in the Police Department Budget by the layoffs of Patrol Officers and their Supervisors.

While there is no assertion of any inability to pay, Hawthorn Woods does stress that, in this Arbitration, the welfare of the public and the financial ability of the municipality to meet its financial obligations should be given paramount consideration. The following table illustrates the relationship of the Hawthorn Woods Police Department Budget and the budgeted per capita costs of that Department to Police Departments in Comparable Municipalities according to the Kildeer Survey presented at the Arbitration Hearing.

<u>Village</u>	<u>Population</u>	<u>Officers</u> <sup>11</sup>	<u>EAV</u>	<u>Budget % of EAV</u>	<u>Per Capita Cost</u>
Cary	18000	28	608,535,933	.58	\$196.00
Harvard	9500	20	150,746,740	1.66	\$263.00
Island Lake	9500	16	217,050,255	.87	\$199.00
Marengo	7800	16	173,879,800	1.11	\$249.00
Hawthorn Woods	7500	10	475,682,753 <sup>12</sup>	.29	\$180.00

<sup>10</sup> During the past six years, according to the testimony, there was only one referendum for a tax increase, and that was in 2005. The Village grew to 5,000 and was obligated to create a Board of Fire & Police and institute a police pension. The cost to the Homeowner would have been \$17/year to fund the police pension obligation at that time, but it was overwhelmingly rejected..

<sup>11</sup> Number of Full Time Officers in Department

Johnsburg	6800	10	246,807,165	44	\$158.00
Highwood	5500	13	148,867,973	.97	\$264.00
Average with Cary	9228.57	1614	288,795,803	.84	\$215.57
Median with Cary	7800	16	217,050,255	87	\$199.00
Average without Cary	7766.66	14,166	235,505,781	.89	\$218.83
Median without Cary	7650	14.5	195,465,027	.92	\$224.00

### Economic Issues

#### Final Offers - Wages

The Village draws the Arbitrator’s attention to factor (3) of Section 14 (h) of the Illinois Labor Relations Act and stresses the relevance, considering recent extraordinary constraints upon revenue, of their “*financial ability*” to meet the costs of the Union’s proposed wage package. It is often stated that the concomitant of the ability to pay is the provision for maintaining the public interest –in this case, public safety.

Under the circumstances, it would be expected that, as a consequence of the reductions in force, the remaining Officers would have a greater work load. Generally workloads increase with a reduction in staffing unless crime related factors change or there is operational restructuring. While there is no indication of reported serious crime in the Village, there is no showing that the potential for violations of the law is any different after the layoffs than before. Based upon reduction in numbers of citations issued and the fact that there are fewer Officers on the Street, it appears that there is less enforcement activity.

The Mayor points out that Hawthorn Woods is a low crime area and there has not been any evidence of increased criminal activity. Since the reduction of Patrol Officers to 4, revenue from traffic stops has markedly declined despite an increase in fines, principally those for DWI. While the number of Patrol Officers has been cut in half, there is no evidence of any changes in population, decrease in calls to the Department for assistance, changes in the nature of assignments or any other indicia which would indicate that the work load is lower than in late 2007 when the layoffs were instituted.

The last wage increase Hawthorn Woods Patrol Officers received was 3% for the fiscal year commencing May 1, 2006. In these negotiations, the Union seeks 4% across the board wage increases with effective dates of May 1, 2007, May 1, 2008 and January 1, 2009. Citing a change in fiscal years, the Union proposes a December 31, 2009 expiration date, making the term of their proposed Agreement 2 years 8 months. Hawthorn Woods transitioned from a May to May Fiscal Year to a Calendar Year effective January 1, 2009.

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<sup>12</sup> The Union points out that the 2006 EAV for Hawthorn Woods of \$373,880,000 increased in 2007 to \$424,608,003. There has been an increase of slightly over 100,000,000 from 2006 to 2008.

The Village proposes two 3% across-the-board increases over a 3 year, 8 month term - , 12 months longer than the duration sought by the Union. The first raise would become effective the first year of the new Agreement, May 1, 2007. The second 3% increase would become effective January 1, 2010, the final year of the Agreement. There would be no wage adjustment on the May 1, 2008 date, a date which ordinarily would be the beginning of the second year of the contract. The next increase would come January 1, 2010 – 20 months after May 2008.

In addition, the Village offers a “*me too*” non binding contingency. The Village states that, were it to exercise its discretion to grant a wage increase for Calendar Year 2009 to Village employees who work in Public Works or Administration, that same wage adjustment would be provided Officers in this Bargaining Unit. It was further stated that, for the final year of the Contract, the 3% raise proposed would be increased “*if the Village were to give its other employees an increase which, on average, was higher than 3%.*”<sup>13</sup>

### **Relationships to the Comparables**

Among the comparables, the Hawthorn Woods salary schedule is competitive at the lowest Step – the Start rate. Current starting and top salaries for Hawthorn Woods Patrol Officers are \$44,567 and \$63,938. The top rate is reached after 5 years. A review of salary increases in Comparable Units during the 3 year eight month Contract term sought by the Village illustrates the effect of the 2008 and 2009 wage freezes on relative salary rates. Over the full term of that proposal, greater disparities in salaries would be created. Only a few examples are provided here.

After the initial 3% May 1, 2007 adjustment proposed by the Village, the salary schedule start rate of \$45,904 would maintain the Village present rank of first among the six Village comparables. They would retain that position as of May 2008 just ahead of Marengo (\$44,839) and the *new hire* rate in Harvard (\$44,642). However, there is a rate increase at the six month step built into the Harvard scale which raises their hire rate to \$51,669. As of May 1, 2009, because of the wage freeze, Hawthorn Woods starting pay rank would fall to third in the group of six Village comparables behind Harvard ( now up to \$46,452) and Marengo (\$46,632).

Since there are no further increases in the Village proposal until 1/1/10, as early as May 2008, Officers in Cary and Harvard at the third Step would be earning at least \$2000 more than their Hawthorn Woods’ counterparts. That gap increases to \$4479 and almost \$5000 in May 2009 and widens thereafter during the last year of the Agreement. When we examine the larger percentage increases in the Comparable Units, we find that Hawthorn Woods Officers relative salaries would further decline in 2009 and 2010 against each of the Comparables across the various Steps in their respective schedules. When we look at increases provided Patrol Officers in Comparable Units, we see the reasons why, were the Village final position on wages adopted, the relative salaries of Hawthorn Woods Patrol Officers would markedly deteriorate over the proposed 44 month term. There are annual increases of 4% over a five year Contract negotiated in Harvard (expiration 4/30/11); 8%,6%,5% increases in Highwood (Contract expires 6/30/09);

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<sup>13</sup> The Village would make such wage increases payable within 30 days of adoption of the Agreement or an Award by the Village Board.. Those proposals are intended to be non binding and the wage increases described would be made effective only upon the option of the Village

4%.4%, 4% and 4% increases in Island Lake (expiration date 4/30/2010); 4%, 4% and 4% increases in Johnsburg (Expiration date (4/30/2011); 3.50%, 4.50%, 4.75% and 4% in Marengo (expiration date 4/30/2010) and in Cary, 4%,4% and 4% increases<sup>14</sup>(expiration date 4/30/2010). To reiterate, there is no raise provided under the Village proposed salary schedule for May 1, 2008 with the next 3% increase set for January 1, 2010.

The Village correctly points out that there is nothing unusual about the 3 year, 8 months contract term they seek. Such a term provides predictability and stability. Four of their six comparables have contracts which run at least four years. However, we do not find a single comparable with a wage freeze in any year.

Considering the Village's current financial situation, the first year increase of 3% would certainly be acceptable. It is the lack of increases until the final year of the Contract that is the problem. Even considering present financial circumstances here, Village comparables do not support an average increase of 1.6% over the proposed 44 month contract term.

Before the series of Village wide layoffs, there had been a force of 16 sworn personnel. The number of Patrol Officers has been severely curtailed, a reduction from 9 in 2006 to 4. With the growth in population, the seven or eight Officers on the force when Mr. Hunt became Mayor in 2001 had understandably grown to 16. However, during that period there had been high turnover because the Village, as he pointed out, "*didn't pay a market rate salary*". According to their testimony, primarily using revenue obtained from housing development described above, the Village undertook efforts to make Officer salaries more competitive with comparable municipalities. In those years the Village made an exception to their stated salary policy of uniform across the board increases for all employees. They granting larger increases to those in the Police Department "*in an effort to match the starting salaries of surrounding communities so people wouldn't come up to us, get trained for a year or a year and a half and then ...after we had spent all of our money training the... go to some other department and make more money*". In a Department as small as Hawthorn Woods, turnover and associated training costs are paramount obstacles to developing a competent Police Department.

### **Determination**

The outcome on this issue turns on the fact that the Village proposal would provide only a 1.9% increase over a 44 month term. The evidence shows that, among comparables (1) Hawthorn Woods has a high EAV exceeded only by the much larger Village of Cary; (2) the Village budget for the Police Department is at the lowest percentage of EAV of all comparables - both Village and Union; (3) the Village budgets the second lowest budgeted dollars for the Police Department per capita of any Comparables -; (4) the Officers relative salary position and salaries among other Village Comparables would considerably deteriorate at all levels over the 44 month term of the Agreement under the Village proposal because other Municipalities identified by the Village have agreed to substantially larger percentage wage increases and (5) the MAP proposal is much closer to those percentages upon which Village Comparables have settled,

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<sup>14</sup> The annual average increase in Cary is less than 4% with 2% increases each year... May 1 and November 1.

As mentioned, there has been a history of turnover problems in recent years when the Village salary schedule had not provided market based rates, problems remedied by a series of catch up increases for Police Officers. The comparatively small percentage wage increase over term proposed by Hawthorn Woods would come at a time when, in this Unit, there has been an increase in work load as a consequence of a 50%+reduction in the number of Patrol Officers. There is no evidence of any corresponding changes in number of citizens or business served or in the nature of assignments.

The final position of the Union – an average 4.4% over the shorter term – is certainly not without imperfections considering the financial situation. For the first year of this first Contract, the respective offers to increase salaries effective May 2007 are 3% and 4%, not a great disparity. However, there are widening differences thereafter since, during the remaining 20 months of the term proposed by the Union, the Village final Offer does not provide any increase<sup>15</sup>.

The Arbitrator, in making his determinations on each of these issues must chose either the Union or the Village final position. and (3) for those reasons reviewed above in the discussion of the Village proposal, I find the final position of the Union to be the most reasonable on this issue

## **Economic Issue No. 2 – Sick and Personnel Leave**

### **Sick and Personnel Leave**

MAP proposes that the new Article XI, Section 3, should read, “*In addition to sick days as set forth in Section 11.2, each employee covered by this Agreement, shall accumulate three (3) personal days – (24 hours) per calendar year to be used at the employee’s discretion, subject to the approval of the Chief of Police or his/her designee....”.*

The final position of the Village is that there will not be any paid personal day benefit provided employees in this Bargaining Unit. In these negotiations the Village has liberalized the sick time benefit in response to a Union demand for additional paid time off. Hawthorn Woods asserts that, during the course of the negotiations, they have granted a substantial increase in paid sick time to 96 hours per year, a move that move constitutes a *quid pro quo* for elimination of the paid personal day benefit.

I have reviewed the evolution of the sick leave and personal time off benefit for Hawthorn Woods employees. Both benefits involve paid time off work.

As far as the evidence shows, historically Paid Sick Time for Officers had been limited, earned at a rate of 1.5 hours of sick time each pay period - 3 hours a month. In May 2006

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<sup>15</sup> The Cost of Living Index was averaging slightly over 4% in 2007 and through much of 2008.

Officers were granted 12 hours of paid sick time per month<sup>16</sup> followed a few months later in August 2006 by a reduction to 8 hours per month.<sup>17</sup> That benefit became 12 days per year.

Addressing the separate benefit of paid Personal Days, we find that during the period prior to January 2006, Patrolmen had been entitled to two 8 hour Personal Days per Year. In January 2006 that benefit was changed to two 12 hour days.

Effective December 2006, both paid personal time,<sup>18</sup> still 2 Personal Days a year, and paid sick time (12 paid days a year) were eliminated. In lieu of the total 14 paid days off for personal days and sick days, the Village established a personal time off bank. Officers would receive a maximum of five 8 hour days, 40 hours, of paid time off each year which could be used for either illness or personal business. The overall number of paid days off for these purposes had been cut back from 14 to 5.

It should be understood that, except for a seven month period in 2006 – from May to December - total paid days off for sick leave and personal leave had not exceeded the equivalent of six a year. Such a level was substantially below the average number of total paid days off provided Officers in comparable communities..

### **The Village Final Offer**

The Village asserts that, on this economic issue, it is making a major improvement in paid time off benefits moving from the current policy of 5 paid days off (40 paid hours) each year to 12 paid days off (96 paid hours). They stress that, while paid personal days off (2 days a year ) have been eliminated, the 12 paid days off for sickness constitutes a 140% increase in paid time off.

Under the Village's final Offer, Officers in this Unit would be entitled to accumulate 8 paid sick pay hours per month to a maximum of 96 hours each year as well as the right to accrue up to an overall maximum 960 hours. There are special features. Sick pay could be used to take care of an Officer's spouse and/or the Officer's children. In addition, Officers, upon Retirement or Death, would be entitled to receive 50% of accrued but unused paid sick time<sup>19</sup>.

As mentioned, the Village proposal was explicitly offered as a quid pro quo for the elimination of the current policy of 5 paid days off per year, a benefit which, as we have mentioned, covered both sick time and personal days off.

### **The Union Final Offer**

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<sup>16</sup> They were then on a 12 hour schedule.

<sup>17</sup> By August 2006 Sick time hours were reduced from 12 hours to 8 hours per month

<sup>18</sup> One personal 8-hour day was provided each May 1 and a second each November 1.

<sup>19</sup> Details are set forth in the Transcript.

The Union is in agreement with the Final Position on Sick Leave summarized above and spelled out in greater detail during the Hearing except for one factor: abolishment of the Paid Personal Day Benefit. During the Hearing MAP proposed two paid personal days – one 12 hour day and one 8 hour day – a total of 20 paid personal hours each year. Such additional paid time off would bring maximum paid time off for sick leave and personal leave each year to 116 hours, 20 hours greater than the 96 hour annual maximum paid time off for Sick Leave set forth in the Village final Offer.<sup>20</sup>

### **The Survey**

While not a comparable group, according to the 2008 Kildeer survey, the average number of paid sick days a year in the 58 reporting Police Units is 10.55 and the average number of personal days 2.48, a total of 13.03 paid days off in these two categories. This is about one paid day more than Officers in this Unit would receive under the Hawthorn Woods’ proposal. Under the Village Comparables, the average is 2.16 paid personal days and 11.6 paid sick days, or a total paid days off in these two categories of 13.76. almost two paid days more than the Hawthorn Woods Final Offer.

The Union’s Final Position at 14.5 paid days off each year, is higher than the average total paid days off in either the 58 municipalities in the Kildeer and the 6 municipalities within the Village Comparable Group. There was no contention that any of the Municipalities are operating under financial constraints approaching those in Hawthorn Woods.

### **Determination**

There are two determinative factors in my resolution of this issue: (1) the relatively large increase in number of paid days off and directly associated costs achieved in a single negotiation and (2) the recognition that, considering the bare bones staffing in this Unit due to the cut back in Patrol Officers, it would be imprudent, at this time, to provide the equivalent of 2.5 additional days off in a Department already undermanned.

When we average the number of paid sick days provided in the six comparable communities identified by the Village, we find a paid sick day average of 11.6, just slightly less than the Final Offer of the Village here. We do not know whether the sick leave benefits in those communities contain the several positive features offered here. Funds which would have been earmarked for the sought paid personal days under the Union proposal, will be freed up for wages.

For these reasons, I find the Village Final Offer on the Sick Pay/Personal Day Issue to be the most reasonable. Paid Sick Pay will be granted as proposed by the Village.

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<sup>20</sup> In their Post Hearing Brief, they stated that “*In addition to sick days as set forth in section 11.2, each employee covered by this agreement shall accumulate three (3) personal days (24 hours) per calendar year to be used at the employee’s discretion, subject to the approval of the Chief of Police or his/her designee*”

James R. Cox  
Arbitrator

Issued this 5<sup>th</sup> day of March 2009