

**IN THE MATTER OF ARBITRATION**

**BETWEEN**  
**City of Colona**

**ARBITRATION AWARD:**  
**ILLINOIS STATE LABOR**  
**RELATIONS BOARD CASE NO.**  
**S-MA-10-289**  
**FMCS 100629-03925-A**

**AND**  
**ILLINOIS FRATERNAL ORDER OF**  
**POLICE - LABOR COUNCIL**

**Before Raymond E. McAlpin,**  
**Neutral Arbitrator**

---

**APPEARANCES**

**For the Union:**                      **James Daniels, Attorney**

**For the Employer:**                **Arthur Eggers, Attorney**

**PROCEEDINGS**

**The Parties were unable to reach a mutually satisfactory settlement of their negotiations and, therefore, submitted the matter to arbitration pursuant to the Illinois Public Employee Labor Relations Act. The Parties did not request mediation services. The hearing was held in Oakbrook, Illinois on February 22, 2011. At these hearings the**

Parties were afforded an opportunity to present oral and written evidence, to examine and cross-examine witnesses, and to make such arguments as were deemed pertinent. The Parties stipulated that the matter is properly before the Arbitrator. Final briefs were received on May 7, 2011.

ISSUES

<u>CITY PROPOSAL</u>	<u>UNION PROPOSAL</u>
<p>Appendix B-pay scale general wage increase                      May 1, 2010 - 0</p> <p style="padding-left: 40px;">May 1, 2011 - \$.50</p> <p style="padding-left: 40px;">May 1, 2012 - \$.50</p>	<p>Appendix B-pay scale general wage increase</p> <p style="padding-left: 40px;">May 1, 2010 - \$.60</p> <p style="padding-left: 40px;">May 1, 2011 - \$.70</p> <p style="padding-left: 40px;">May 1, 2012 - \$.75</p>
<p style="text-align: center;">20.2 sick time bonus</p> <p style="text-align: center;">status quo</p>	<p style="text-align: center;">20.2 sick time bonus</p> <p style="text-align: center;">option to cash out after 60 days accrued</p>
<p style="text-align: center;">22.3 vacations</p> <p style="text-align: center;">status quo</p>	<p style="text-align: center;">22.3 vacations</p> <p style="text-align: center;">option to take 2 weeks vacation in some</p>

	<b>other form than week-long blocks</b>
--	---

**STATUTORY CRITERIA**

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

- 1. The lawful authority of the Employer.**
- 2. Stipulations of the Parties.**
- 3. The interests and welfare of the public and the financial ability of the unit of government to meet those costs.**
- 4. 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.
- (I) In the case of peace officers, the arbitration decision shall be limited to wages, hours and conditions of employment and shall not include the following: (I) residency requirements; (ii) the type of equipment, other than uniforms, issued or used; (iii) manning; (iv) the total number of employees employed by the department; (v) mutual aid and assistance agreements to other units of government; and (vi) the criterion pursuant to which force, including deadly force, can be used; provided, nothing herein shall preclude an arbitration decision regarding equipment or manning levels if such decision is based on a finding that the equipment or manning considerations in a specific work assignment involve a serious risk to the safety of a peace officer beyond that which is inherent in the normal performance of police

**duties. Limitation of the terms of the arbitration decision pursuant to this subsection shall not be construed to limit the factors upon which the decision may be based, as set forth in subsection (h)**

### **UNION POSITION**

**The following represents the arguments and contentions made on behalf of the Union:**

**Many arbitrators find that the external comparables are the most important factor of the statutory factors. The Parties have agreed on the following comparables: Creve Coeur, Marseilles, Fulton and Morrison. The Union has proposed additional comparables: Aledo, Coal Valley, Geneseo and Milan. Union Exhibit 4 shows clearly why these four communities should be considered. External comparables should be within the same labor market. In addition arbitrators consider population, median home values, median household and family income, per capita income, number of housing units, EAV and per capita crime rate. The Union's contested comparables are very similar to Colona in these relevant categories. In addition to other criteria, the four additional comparables are located within the same local labor market. The Union's comparables are well within an hour's drive and, as such, represent a clear option for alternate employment. Each of these communities bears heavy statistical similarities to Colona.**

The Employer has also proposed two contested comparables: Beardstown, which is 127 miles away and Fairbury, which is 142 miles away. These cities are approximately a 2 ½ hour drive from Colona and cannot be considered within the local labor market.

The Employer objected to Milan because its sales tax receipts were higher than other submitted comparables. The sales tax revenue favors the Union's position. It is true that Milan's sales tax receipts are relatively high, but it is financially similar to or poorer than the rest of the Employer's comparables.

### WAGES

With respect to wages, Colona pays its police poorly. They are 10-15% below the average. If the Employer's proposal is accepted, that will drop to between 13 and 18%. The Union's offer would allow the officers to be only 9-14% below average. Likewise, the second and third year proposals by the Employer would leave the officers even further behind whereas the Union's proposals would stop the hemorrhaging. The plight of Colona's two sergeants is, if anything, even worse. If the Employer's proposal was accepted, they would drop even further behind the average while the Union's proposal would marginally improve the sergeants' position.

It is well established that police should not expect to make up huge differences in salaries at interest arbitration. The Union has, therefore, proposed modest wage increases that would stop Colona's downward slide and incrementally nudge up the pay by a few

points at the end of the contract. Colona should begin to create an environment where experienced

officers would consider making a long-term commitment.

The Employer repeatedly claimed that the salaries enjoyed by the police in external comparable communities are not at issue. It argued that other Colona non-union employees had accepted modest increases or none at all. The State of Illinois is tardy and unpredictable in its payments to the City. The City had other capital improvement projects on which the money at issue would be better spent, and they represent an inability-to-pay argument.

The above three arguments are unconvincing. The City's witness was unable to explain the financial situation of the City but stressed the fact that the state has historically failed to deliver the City's tax money in a timely fashion and lately is even later than usual. That witness had no idea how much is still owed to the City and wouldn't even know who would know. The witness also testified that the City has a couple million dollars in cash at its disposal, but it would rather spend this money on other capital improvement projects. While the Employer is proposing a 0% increase for 2010, it had actually budgeted for a 2% across-the-board wage increase. The City is perfectly able to pay the wage increases proposed by the Union, but it would rather not. The City's pay schedule for its officers is in greater disrepair than any of these capital improvement items.

The City currently only has four police officers and two sergeants. In the past two

years it has lost three officers to nearby competitors. All of the three cited the need for more money as the reason for leaving. The Union would also note that the City has not proposed a longevity plan in order to create an incentive to retain officers.

While internal comparables are generally not utilized for security employees, the City has offered 0% to its police in the 2010/2011 contract year. It gave the public works a 3% raise for that time period.

Regarding the actual ability to pay, the Employer has not articulated a coherent recognized legal argument. It refers to an actual lack of ability to commit the resources at issue. It does not mean a mere reluctance to pay a small amount above what the Employer already has on the table. It is not, however, concerned about paying higher salaries to non-union, non-security employees or justifying the delay of capital development projects or forming a hedge against tardy payments by the state.

In *St. Clair County v. FOP Labor Council* the Employer used the arguments of delayed payments by the State of Illinois as well as declining property taxes and decreases in local fees and other revenue sources. The Arbitrator also dismissed the argument that external comparables were of no value because several contracts were negotiated before the 2008 recession began stating that it is only speculation that, had they been negotiated later, the wage increases would have been less. The Union's wage proposal should be accepted because the external comparables favor that proposal and the Employer's inability-to-pay argument is not grounded in reality which is shown by the City's own financial document.

**The City of Colona can easily cover the costs involved in the Union's proposal. In addition, the Police Department expenditures came in a full 7% under budget in 2010. While the City is not rich, it has steadily increasing property values and a flat tax rate and a police department whose expenditures have increased modestly. The Union's proposal poses no real threat to Colona's financial well being. With a \$1.2 million ending fund balance, it can easily afford the modest wage increases represented by the Union's proposal since it has already budgeted for a 2% pay wage increase for its police. In addition to the above, the cost of living factor clearly supports the Union's position.**

#### **VACATION**

**With respect to the vacation usage proposal, the bargaining unit members get comparatively little vacation time and much of that is burned against their will. This is due to the City's policy that all weeks of vacation except for one must be used in one week blocks. This City policy is unworkable for the bargaining unit, inconvenient for management and completely unnecessary. It is difficult for the Chief to find part-timers to cover an entire week off work. It is inconvenient for an officer or a sergeant to have to burn an entire week of vacation to cover a single day off to celebrate a child's birthday or attend a family function. The Chief confirmed himself that it is easier to cover for a single day than for an entire week.**

**The comparables clearly favor the Union's positions with most of them not having a block mandate at all. In addition most of them offer senior officers a fifth week of**

vacation, whereas Colona tops out at four weeks. The Union is not asking for a total elimination of the block mandate, but simply proposing that two of the weeks of vacation may be used on a day-to-day basis.

The facts are that this is not a typical status quo situation. The current system does not work and the Union's proposal would provide a cost neutral solution. This is cost neutral because the Employer always has the right to refuse to grant a vacation day to maintain appropriate staffing levels or to serve legitimate operational needs. The record shows that bargaining members are so worried about something unforeseen coming up, they hang onto their vacation as long as possible since it can only be used in blocks and because they are not allowed to carry over any vacation into the new fiscal year. Therefore, the unit is required to use vacation time at the last minute which creates a scheduling nightmare for the Chief. The Union did offer a quid pro quo but it was refused by the Employer.

The records show that this is a nightmare operation both with the respect to earning, burning and administration. The current system devalues and wastes the small amount of vacation that the officers get creating resentment among the rank and file. The Union has made a modest proposal for an incremental change and offered a valuable quid pro quo. The method proposed by the Union is used overwhelmingly by comparable communities in the region.

#### **SICK LEAVE SELL OFF**

The sick sell off bonus issue is a provision which currently can be sold back to the

**Employer once an employee accumulates the maximum of 72 days at half price on December 15 of every year. Contrary to the Union's understanding, the City interpreted the new language to mean that members would have to reach the maximum of 72 days before being able to cash out any of them. This ban on cashing out sick time was unintended but it has had a very negative impact on the bargaining unit. The officers are not permitted to cash out until December of any particular year which means there may be a significant period of time where no sick leave benefit accrues. This is an absurd situation and one that was never intended. The Union would note that there was not one Employer witness who testified to the contrary, therefore, there was no meeting of minds. The bargaining unit members had no idea that the Employer would interpret the new language so as to deprive them of a long held right, one that is currently enjoyed by other City employees.**

**The comparables show that some of the cities do not allow employees to sell off sick time or to do so only at retirement. Three of the eight comparables allow for pre-retirement sell off of sick time with Milan at 45 days, Fulton and Morrison at 60 days, which is what the Union proposes in this matter. The City of Colona has a small police force that is getting smaller. Its officers are jumping ship to work for neighboring communities with higher pay and better benefits. To try to stop the bleeding the Union has proposed three modest proposals. Each of the proposals would greatly improve the members' quality of life, lead to greater job satisfaction and better retention rates. It is high time that the City took pride in its police force and grant benefits that will lead to a unit full of seasoned officers whose goal it is to make a career with the City, therefore, the**

**Union asked that its proposals be accepted in total.**

**EMPLOYER POSITION**

**The following represents the arguments and contentions made on behalf of the Employer:**

**The Parties have agreed on four external comparables, those being the cities of Fulton and Morrison which were submitted by the Union and Creve Coeur and Marseilles submitted by the Employer. The City has also submitted Beardstown and Fairbury as appropriate external comparables.**

**It is the Employer's position that external comparability should be given little weight in the determination of the economic issues in this case. The City arrived at its comparables by searching for cities within 25% of the Colona population and within 150 miles of the City of Colona excluding cities within Cook County and its collar counties. The Union used a more complex method of arriving at its comparables. The City of Milan did meet the Employer's criteria, however, due to its disproportionately large tax revenues, it was excluded from the list.**

**WAGES**

**The City's drop in revenues has affected the City's ability to pay a wage increase. The State of Illinois failed to pay the City in fiscal year 2010 and has forced the City to take dramatic measures in order to conserve the finds it does have. Wages and other expense**

are paid from the General Fund. This primarily comes from state sales taxes, state income taxes, property taxes, utility taxes and other local sources such as licenses, fines and permits.

The City has based its budget for the upcoming year on actual revenues received during the previous year. In 2009 the City's actual General Fund revenues were \$1.7 million, therefore, the City budgeted \$1.8 million in revenues in fiscal year 2010.

The actual General Fund revenues for 2010 plummeted to \$1.5 million, therefore, expenses rose above revenues causing the City to decrease its budget for 2011 to \$1.6 million. Intergovernmental taxes account for nearly half of the City's General Fund revenues. Prior to 2009 the state had been somewhat consistent in paying the City what it was owed, however, starting in 2009 these payments were erratic, untimely and unpredictable. Currently, the state owes the City over \$300,000 and was four to five months late in paying it. There is no way of knowing when the next payment would come or how much it would be. As of the date of the hearing, the City had received nothing from the State of Illinois. The City could call for a referendum on increasing property taxes. It is, however, unlikely that such a referendum would pass.

The Union fails to grasp that, given these unprecedented economic circumstances, the City must base its proposal on what occurred in 2010. Basing its requests on the amount of money in the General Fund is a counterproductive over simplification of the City's financial position. It assumes that the City will be reimbursed from the State of

**Illinois and will face no further economic emergencies. The City's budget for 2011 is based on the hope that the state will pay what it owes. The City cannot force the state to do anything nor can it predict when the state will reimburse, if ever, what is owed the City.**

**With respect to the cost of living, the most recent Collective Bargaining Agreement provided for increased wages and rates far above the CPI. The CPI reflects economic realities and can still be used as a basis for comparison. When things took a turn for the worst in most of 2008 and some of 2009, the Union still had a wage increase of 4.21%. Looking to future periods covered by the wage increase, history and the CPI support the adoption of the City's wage proposal.**

**Internal comparability is also a factor the Arbitrator may consider in making a wage determination. The City also employs individuals who belong to Teamsters' Local 371, one employment contract for a public works position and individuals who are not represented by any union.**

**In fiscal year 2010 the City decided to freeze non-contractual employees' wages, therefore, the 15 individuals working in various City positions received no wage increases between 2010 and 2011. This includes the Chief of Police.**

**Those City employees who did receive wage increases are parties to contracts executed before the City felt the impact of the economic decline. The Teamsters' unit received a 3% increase for the years 2010 and 2011, therefore, it is not comparable for the**

**purposes of this FOP interest arbitration because it became effective after the economic crash occurred, therefore, internal comparabilities support the City's wage proposal.**

**In addition to the above, the City made numerous efforts to cut expenditures including postponing numerous capital improvements. Many of the roads, parking lots and sidewalks were in an advanced state of deterioration.**

**The Union attempted to construe the City testimony as a list of things the City would rather pay for than give increases to its police officers. This is not correct. The postponed capital projects represent an additional measure the City has taken in order to keep its expenditures in check. The City is delaying needed repairs and capital spending because it must do so even though the postponement of these projects will have a negative impact on the safety and well being of the City.**

**It is not appropriate for the Arbitrator to resolve the economic issue on the basis of a political consideration. The citation from Arbitrator Elliot Goldstein was provided involving the FOP and the City of Belleville, Illinois. Even if external comparables would be considered and given their customary weight, the City's wage proposal should still be adopted.**

**The Union's arguments rest heavily on the external comparability and the history of the City's General Fund. The Union proceeds as though the State of Illinois is not in a financial crisis. The facts are the recession has been factored in in recent arbitrations.**

**Awards by Edward Benn, Elliot Goldstein and Byron Yaffe were provided.**

**Therefore, the focus of determination should not lie with the external comparables. Cities which may fit the typical criteria for comparability but had negotiated wage increases prior to 2009 were simply not in the same financial position that Colona now finds itself. Cities in the State of Illinois became different places after the recession hit. All cities were impacted by the economy. The rates of loss and recovery vary from one city to the next. This frustrates the entire comparability analysis.**

**Even if external comparability is given the weight afforded in normal economic times, the City's wage proposal is still more appropriate. The City's proposal does not cause it to fall dramatically behind in salary rankings. The City is ahead of at least two comparables in 2011. It is likely that the City's rankings will remain stable through the duration of the contract. The City would note that Beardstown and Creve Coeur imposed wage freezes for the contract years of 2010 and 2011. Fulton, Marseilles and Morrison's contracts became effective as of January 1, 2008, May 1, 2008 and May 1, 2008, respectively. Thus, the contracts became effective before the economy began to experience a major downturn.**

**The City would note that the Union's comparables are less appropriate than the City's. Aledo and Coal Valley are over 25% smaller than Colona. Geneseo is over 25% larger. The city of Milan should be excluded due to the fact that its sales tax revenues are disproportionately large.**

### **SICK TIME BONUS ARGUMENT**

The City proposes to maintain the status quo under Section 20.2 of the contract. Arbitrators have generally found that those that want to deviate from the status quo have an extra burden of proof. The Union's proposal would allow employees to cash out sick days once they have accumulated 60 sick days. The Union testified that in the last negotiations it understood that they would be able to cash out after an accumulation of 60 days, however, Section 20.2 could not be clearer. The City never had any misunderstanding about how the language worked. While there is a potential for abuse, the testimony from the bargaining unit was that employees do not abuse sick time. The Union has failed to present evidence that the current language is unworkable and has not borne the extra burden to change the status quo.

### **VACATION**

The Union proposes that employees can take up to two weeks of their vacation in shorter increments, whereas the current contract provides for only one week. There was no showing that the current system is unworkable to the extent that status quo should be changed. Union witnesses testified that comp time can be used for taking single days off. Employees may also use personal days in the same fashion.

**Under the current contract employees have at least eight days that they can use one at a time in addition to whatever comp time has been accumulated. Employees can also use vacation time in one week blocks. This is not an unworkable system necessitating change. There may be some inconvenience, but this does not necessitate a revision of the contract. This proposal would offer additional burden on the City since officers' leaves must be coordinated in a manner which did not leave the City short-staffed. It may also require the City to pay overtime in order to address the staffing shortage. The Union's proposal, therefore, should be rejected.**

### **CONCLUSION**

**For the foregoing reasons the City respectfully submits that each offer by the City be included in the terms of the new labor agreement.**

### **DISCUSSION AND OPINION**

**The role of an Arbitrator in interest arbitration is substantially different from that in a grievance arbitration. Interest arbitration is a substitute for a test of economic power between the Parties. The Illinois legislature determined that it would be in the best interest of the citizens of the State of Illinois to substitute compulsory interest arbitration for a potential strike involving security officers. In an interest arbitration, the Arbitrator must determine not what the Parties would have agreed to, but what they should have agreed to, and, therefore, it falls to the Arbitrator to determine what is fair and equitable in this circumstance. The statute provides that the Arbitrator must pick in each area of disagreement the last best offer of one side over the other. The Arbitrator must find for each open issue which side has the most equitable position. We use the term “most equitable” because in some, if not all, of last best offer interest arbitrations, equity does not lie exclusively with one side or the other. The Arbitrator is precluded from fashioning a remedy of his choosing. He must by statute choose that which he finds most equitable under all of the circumstances of the case. The Arbitrator must base his decision on the combination of 8 factors contained within the Illinois revised statute (and reproduced above). It is these factors that will drive the Arbitrator’s decision in this matter.**

**The Arbitrator has more latitude when dealing with “non-economic” proposals. The Arbitrator has found over the years that the line between economic and non-economic is very blurred. An effective argument can be made that most of these “non-economic” proposals can and do have economic consequences. In addition, interest arbitration is set up to encourage voluntary settlement. This Arbitrator has concluded that in the absence of**

the most extraordinary circumstances it is the Parties that should determine their respective proposals either of which would then be included in the Agreement.

The Arbitrator would, however, say to the Parties that interest arbitration is an essentially conservative process. The Arbitrator is bound by the criteria placed upon him by the State of Illinois and the Parties respective positions. The criteria for change, as noted in the above paragraphs, are difficult to achieve. Quantum leaps in interest arbitration are, therefore, difficult to attain. The Collective Bargaining/Interest Arbitration process in the public sector is generally one of small steps over a period of time to achieve an overall goal except under the most extraordinary circumstances.

Prior to analyzing the open issues, the Arbitrator would like to briefly mention the concept of status quo in interest arbitration. When one side or another wishes to deviate from the status quo of the collective bargaining agreement, the proponent of that change must fully justify its position, provide strong reasons, and a proven need. It is an extra burden of proof placed on those who wish to significantly change the collective bargaining relationship. In the absence of such showing, the party desiring the change must show that there is a quid pro quo or that other groups comparable to the group in question were able to achieve this provision without the quid pro quo. In addition to the above, the Party requesting change must prove that there is a need for the change and that the proposed language meets the identified need without posing an undue hardship on the other Party or has provided a quid pro quo, as noted above. In addition to the statutory criteria, it is this

concept of status quo that will also guide this Arbitrator when analyzing the respective positions.

### EXTERNAL & INTERNAL COMPARABLES

The Parties have agreed upon four identified external comparables, those being the cities of Fulton, Morrison, Creve Coeur and Marseilles. While the Arbitrator will accept the above external comparables, he would note for the record that Creve Coeur and Marseilles are a significant distance from Colona. According to Microsoft Streets and Trips, Creve Coeur is 86.5 miles and Marseilles is 93.1 miles from Colona.

The Employer's position is that external comparables are practically meaningless in this matter, that the main issue is the fiscal problems plaguing the City of Colona. However, the Employer has also proposed Beardstown, which is 127 miles and Fairbury, which is 142 miles from Colona. These two proposed comparables are simply too far from Colona to be meaningful.

This Arbitrator has utilized the following criteria basically in an order of importance to the Arbitrator. Those would be geographic proximity, recruiting area, similar tax base, whether the units are unionized or not, number of sworn officers, crime statistics, population, median home value, median household income, EAV and whether the city is home rule or non-rule.

The Union has proposed Aledo at 38.6 miles, Coal Valley at 7.9 miles, Geneseo at 11.5 miles and Milan at 12.5 miles. These proposed external comparables are certainly geographically proximate to Colona. They are well within the recruiting area for the Colona Police Department. They are also well within the commuting distance and of similar size and fiscal data to Colona. Milan does have the issue with a larger sales tax revenue than other proposed comparables, but the Arbitrator is convinced that they make a reasonable set of comparables and at least should be considered by this Arbitrator and arbitrators in the future and are certainly much more proximate than some comparables that have been agreed upon by the Parties. The Parties determined not to utilize Cook County or any of the collar counties as comparables. The Arbitrator agrees with that determination.

No internal comparables are found by this Arbitrator to be viable. This is a security unit and is not comparable to the IBT Unit or non-representative employees.

#### **VACATION USAGE PROPOSAL**

The Union has made a modest but important proposal allowing officers to pick an additional week of vacation on a day-by-day basis compared to the current one week for a total of two weeks of the officers' total vacation due.

**The Employer points out that officers can use their comp time and three personal days on a day-by-day basis, and that this proposal would perhaps result in some inconvenience for the Chief.**

**The Union for its part stated that the overwhelming majority of the comparables have no block mandate at all or more generous language than is in the existing Colona contract. Upon reviewing the arguments of the Parties, the Arbitrator would note that this is a deviation from the status quo. This is a modest proposal designed to solve problems for the bargaining unit and for the Chief of Police in trying to schedule all of these vacation days at the last minute. As described, the current situation is unworkable. The Union's proposal is reasonable and the quid pro quo was fair. The method is overwhelming used by the comparables and, therefore, it is the Union's position that will be accepted.**

#### **SECTION 20.2 - SICK TIME BONUS**

**Again, this is a modest proposal. The Union argued that this is not a status quo situation since there was no meeting of minds on the new language negotiated in the last Collective Bargaining Agreement, therefore, no quid pro quo is required. Like vacation, this is an earned benefit which would then be sold back to the City and half time.**

**The situation we have here seems to meet the requirements set down by Arbitrator**

Harvey Nathan in a case involving the Sheriff of Will County and AFSCME Council 31. Certainly, the old system has not worked as anticipated at least by the Union when originally agreed upon. There are some hardships on the employees in terms of earning their sick pay and the Employer has certainly resisted any change to the language that was agreed upon during the last round of collective bargaining.

The comparables are a mixed bag with some cities not allowing the sell off of sick time or sell off only at retirement. Three of the eight comparables do allow sell off as does Colona. Those cities allow sell offs at a more comparable time frame to the Union's proposal in this case.

Again, this is a modest proposal with limited cost to the Employer, and the Arbitrator can see where this would be somewhat advantageous to the City and, therefore, the Union's proposal will be accepted by the Arbitrator.

#### WAGES

This is by far the most difficult issue for the Arbitrator to deal with. The Arbitrator would note at the beginning that Colona is a non-home rule municipality which makes it very difficult for it to raise additional income without going through a referendum which the City has argued, and the Arbitrator certainly believes, that it is difficult to have a

**favorable result by the voters of Colona.**

**Like most cities in Illinois and perhaps across the nation, there is a significant revenue problem in Colona. Much of Colona's problem has to do with the inability of the State of Illinois to pay its bills promptly or perhaps at all.**

**On the Union's side, it argued that the City has funds to pay the increases sought by the Union, and the external comparables certainly favor the Union's position. There is no doubt that the Colona police officers and sergeants are way below external comparables and the Employer's proposal will make things even worse.**

**The above arguments lead us to the interest and welfare of the public. It is obvious that, under most circumstances, the public's interest would be served by a government that operates economically; however, the FOP has brought forth an argument with respect to three officers leaving the bargaining unit for higher pay within the last two years and the long term morale of the bargaining unit. The Arbitrator finds merit in both of these positions.**

**Based on the testimony of the City's financial person, there is no showing in the record, despite the claim of the Employer, that it has a very high cost burden and that the City would be unable to fund either offer without undue hardship. What has happened here is three fully trained Colona police officers resigned from the Colona Police Department in order to accept positions with other more highly paid police departments. Three employees leaving in a reasonably short period of time may not seem to be a**

**dramatic problem, but there are only six employees in the bargaining unit. The City of Colona is in danger of becoming the training ground for other departments.**

**When the citizens of Colona call 911, what they want is an experienced officer to respond as soon as possible and in a professional manner. The citizens of Colona do not care about good looking curbs, sidewalks, roads and parking lots at that particular time. One cannot blame these three officers who left for trying to improve their and their families' standard of living. The Arbitrator would find that Colona's position is somewhat shortsighted.**

**As often happens in these cases, the Arbitrator is faced with two proposals neither of which he would have drafted to solve this problem. The Arbitrator is, therefore, obliged to pick the entire wage proposal of the Union or the entire wage proposal of the City and, given all of the circumstances and the consequences at least for this contract, the Arbitrator finds that the Union's position has somewhat more merit. This wage ruling is based solely on the current economic situation.**

**AWARD**

**Under the authority vested in the Arbitrator by Section XIV of the Illinois Public Employees Labor Relations Act the Arbitrator finds that the proposal which most nearly complies with Sub-Section XIV(h) is the Union's offer.**

**Dated at Chicago, Illinois this 26<sup>th</sup> Day of May, 2011**

**Raymond E. McAlpin, Arbitrator**

---