

ARBITRATION
BEFORE MICHELLE CAMDEN

In The Matter of the Arbitration Between:)	
THE VILLAGE OF WOODRIDGE, ILLINOIS)	
)	INTEREST ARBITRATION
Employer,)	
)	
AND)	
)	
METROPOLITAN ALLIANCE OF POLICE, WOODRIDGE)	CASE NO. S-MA-11-388
CIVILIAN CHAPTER #639.)	
)	
Union.)	

Appearances:

On Behalf of the Employer:

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Hearing Dates:

February 29 and April 9, 2012

I. INTRODUCTION

The hearings in this matter were held on February 29 and April 9, 2012 at the Village Hall in Woodridge, Illinois. A 174-page transcript was taken. The parties both submitted post hearing briefs which were exchanged through the Arbitrator.

The Village of Woodridge is located 25 miles west of downtown Chicago, located primarily in DuPage County with portions Will County. The Village has 32,971 residences and covers 9 square miles. The Police Department has 51 officers, a records department and a resource center. Within the police department there are five Community Service Officers (CSO), three records assistants, one part-time records assistant, administrative assistants, community resource aids and investigative aids. There is only one other bargaining unit within the Village of Woodridge – MAP #51, which represents the patrol officers.

Metropolitan Alliance of Police (MAP) is a police union whose main office is located in Bolingbrook, Illinois. MAP is involved in the representation of approximately one hundred sixty five (165) different law enforcement chapters for purposes of collective bargaining and/or legal defense. Currently, MAP represents approximately seven thousand five hundred (7,500) police officers in northeastern Illinois.

II. STATEMENT OF FACTS

On June 22, 2010, MAP was certified as the exclusive collective bargaining representative for the full-time employees in the Village of Woodridge in its Police Department in the following titles: Administrative Assistant; Investigative Aide, CRC-Assistant; Telecommunicator¹; Community Service Officer and all persons employed full-time and part-time by the Village of Woodridge in its Police Department as Records Assistant. On July 21, 2010, MAP submitted a written demand to the Employer on this initial collective bargaining agreement. The parties met approximately five times to discuss both economic and non-economic issues. They were successful in tentatively agreeing to a number of issues. Those issues are set forth as Exhibit A to this Award. Those tentative agreements are incorporated by reference into this final award. The parties have asked for the Undersigned to retain jurisdiction to resolve any issues with the language in those tentative agreements. (Tr. 3-4)

Upon negotiating to impasse, the parties demanded mediation with FMCS. Subsequently, the parties requested arbitration and selected the undersigned to arbitrate the remaining unresolved issues. The parties were unable to reach agreement on six other issues (five economic and one non-economic) and those issues were presented to this Arbitrator at the hearing. The parties stipulated which issues were economic and which were non-economic.

¹ The bargaining unit no longer contains the telecommunicators. In 2009, the Village outsources that positions and they now use DUCOM for their dispatching services. (Tr. 5, 100)

III. STATUTORY CRITERIA

The provisions of the Illinois Public Labor Relations Act, 5 ILCS 315 et.seq, govern this proceeding. The IPLRA makes a distinction between economic and non-economic issue. The IPLRA states, “as to each economic issue the arbitration panel shall adopt the last offer of settlement which, in the opinion of the arbitration panel, more nearly complies with the applicable factors prescribed in subsection (h).” 5 ILCS 315/14(g)(2006). That same restriction is not placed on the items considered non-economic. The applicable statutory factors are as follows:

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 proceedings with the wages, hours, and conditions of employment of other employees performing similar services and with other employees generally:
 - (A) In the 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 of private employment.

5 ILCS 315/14 (h) (2011).

While the statute sets forth the criteria for consideration in interest arbitration, there is no guidance on which factor or factors are to be given the most consideration. It is up to the individual arbitrator to determine the relative merits of each factor. There is flexibility in applying the relative worth of each factor to each case. Historically, the comparability factor has been one of the primary considerations for both the parties and interest arbitrators. Recently, there has been a shift toward considering other factors which take into greater account the economic reality that this country is facing. The cost of living factors have become increasingly important. *See County of Cook and Cook County Sheriff's and AFSCME, L-MA-09-003, 004, 005, 006 (Benn, 2010).*

There has been no evidence presented that any of the proposals are beyond the lawful authority of the employer.

a. STIPULATIONS

The second enumerated statutory factor is the parties' stipulations. Prior to the commencement of the hearing, the parties jointly presented the Arbitrator with "Ground Rules and Stipulations of the Parties" which stated:

1. By Agreement of the parties, and pursuant to Section 14(p) of the Illinois Public Labor Relations Act ("Act"), the Arbitration Panel in ILRB Case No. S-MA-11-388 shall consist of Michelle Camden. The parties stipulate that the procedural prerequisites for convening the arbitration hearing have been met, and the Arbitrator has jurisdiction and authority to rule on those mandatory subjects of bargaining submitted to it as authorized by the Act and the laws of the State of Illinois. The parties have agreed to waive Section 14(b) of the Illinois Public Labor Relations Act requiring the appointment of panel delegates by Employer and the exclusive representative, and agree that Michelle Camden shall serve as the sole arbitrator in this dispute.
2. The hearing in this case will be convened on February 29, 2012, at the Woodridge Village Hall, 5 Plaza Drive, Woodridge, Illinois, 60517 beginning at 10:00 a.m. If additional days beyond February 29, 2012 are required for the hearing of evidence, the hearing shall continue on such further days as may be agreed upon by the parties and directed by the Arbitrator. The requirements set forth in Section 1230.90(a) of the Rules and Regulations of the Illinois Labor Relations Board, regarding the commencement of the arbitration hearing within fifteen (15) days following the Chairperson's appointment, have been waived by the parties.
3. The hearing will be transcribed by a court reporter or reporters whose attendance will be secured for the duration of the hearing by the Union, upon approval of the Village and at the direction of the Panel Chairperson. The cost of the reporter and the Arbitrator's copy of the transcript shall be shared equally by the parties.
4. The parties stipulate that the arbitration hearing involves "collective negotiating matters between public employers and their employees or representatives" and, therefore, is not subject to the open meetings requirements of the Illinois Open Meetings Act, 5 ILCS 120/1 *et. seq.*
5. All sessions of the hearing will be closed to all persons other than the Arbitration Panel, the court reporter(s), representatives of the parties (including negotiating team members, hearing witnesses, members of the bargaining unit represented by the Metropolitan Alliance of Police, elected officials of the Village, and the management staff of the Village), and such other persons as may be permitted to observe the proceedings by mutual agreement of the parties.
6. The parties have identified the issues remaining in dispute as either "economic" or "non-economic" offers. In the event that there is a disagreement between the parties as to whether an offer is economic or non-economic, the parties agree that the arbitrator shall have jurisdiction to determine whether the proposal is "economic" or "non-economic" within the meaning of Section 14(g) of the Illinois Public Labor Relations Act. The Arbitrator must choose either the Village's offer or the Union's offer on each of the "economic" issues. The Arbitrator has jurisdiction to modify and craft a remedy on any of the "non-economic" issues. The parties agree that the following issues remain in dispute, and that these issues may be submitted for resolution by the Arbitrator, subject to any reservations and objections that may be asserted by the parties in accordance with Paragraph 7 below:
 - a. Issues Principally Economic in Nature
....
(5) Section 11.1 – Holidays Observed
(6) Section 11.7 – Holiday in Lieu of Pay

- (7) Section 16.1 – Wage Schedule
- (8) Section 18.1 – Uniforms Allowance
- (9) Section 25. – Termination²

b. Issues Principally Non-Economic in Nature

....

- (5) Section 1.5 – Entire Agreement³

c. Issues in Dispute

....⁴

7. The listing of an issue in dispute above in Paragraph 6 is not intended and shall not be construed to waive objections to the appropriateness of submitting the issues to the Arbitrator. All parties reserve the right to contest in an appropriate forum under applicable laws the submission of any final offer of any other party on the grounds that it constitutes a non-mandatory subject of bargaining or bad faith bargaining or is an unlawful proposal.
8. The parties have exchanged final offers on all issues by e-mail with copies to be provided to the Arbitrator. Once exchanged by the parties, final offers of settlement are not subject to change, except by mutual agreement of the parties in writing.
9. As the moving part in arbitration, the Union will proceed with its case first on all open issues. Once the Union has presented its case-in-chief, the Village will present its case-in-chief on all open issues. Each party shall be free to present its evidence in either the narrative or witness format, or combination thereof. Once the parties have presented their cases-in-chief, the parties may present rebuttal evidence and/or witnesses. Neither party waives the right to object to the admissibility of evidence.
10. Post-hearing briefs shall be submitted to the Arbitrator no later than thirty (30) days from the receipt of the full transcript of the hearing, by the representatives of the parties responsible for preparing the briefs, or such further extensions as may be mutually agreed to by the parties or allowed by the Arbitrator. The postmark date of mailing shall be considered as the date of submission of the brief.
11. The arbitrator shall base her findings and decision upon the applicable factor set forth in Section 14(h) of the Act. The Arbitrator shall issue her award within sixty (60) days after submission of the post hearing briefs or any agreed upon extension as requested by the Arbitrator, and such approval shall not be unreasonably withheld.
12. Nothing contained herein shall be construed to prevent negotiations and settlement of the terms of the contract at any time, including prior to, during the subsequent to the arbitration hearing.
13. Except as specifically modified herein, the provisions of the Illinois Public Labor Relations Act and the rules and regulations of the Illinois Labor Relations Board shall govern these arbitrations proceedings.

² The parties settled economic items 1-4 prior to the start of the hearing.

³ The parties settled non-economic items 1-4 prior to the start of the hearing.

⁴ The parties settled all of the Issues in Dispute in this paragraph prior to the start of the hearing.

14. The parties represent and warrant to each other that the undersigned representatives are authorized to execute on behalf of and bind the respective parties they represent.
15. The Arbitrator shall retain the official record of the arbitration proceedings until such time as the parties confirm the award has been fully implemented.

The document was signed by both parties' counsel.

b. VILLAGE'S FINANCIAL ABILITY TO BEAR THE COSTS

The third enumerated statutory factor requires consideration of the employer's ability to cover the costs. The parties have stipulated that some issues are economic and others are non-economic. For the non-economic issue, the Village's financial condition is irrelevant. For the economic issues, it is one of several factors that the statute requires arbitrators to consider.

The poor economy has been well documented in recent years and is not in dispute. Not surprisingly, the Village of Woodridge has suffered from the economic downturn like most other municipalities. According to the Assistant Village Manager, Ms. Peggy Halik, the problems in Woodridge began as early as January 2008 with decreasing revenue from new building permits and real estate transfer taxes. (Tr. 89) By the time the Village got to its fiscal year for 2009-2010 revenues had decreased in a variety of areas: income tax down 15%, sales tax revenue down 15%, natural gas revenue down 80%, and interested earnings were down 75%. (Tr. 90-91) Overall, the Village projected a revenue shortfall of approximately \$1.7 million for the fiscal year FY2010-11. (Tr. 91)

At that same time, Governor Quinn had floated a proposal to reduce the municipal share of state income tax by 30%. (Tr. 96) This would have resulted in an estimated loss to the Village of \$830,000. (Tr. 97) While that proposal was never implemented, the Village's share of personal property tax revenue from the State was eliminated, which was a loss of about \$20,000. (Tr. 98)

These decreased revenues led the Village to institute several cost cutting measures. The Village eliminated a building inspector position and reduced the hours for a part-time city planner. (Tr. 89) Heading into the FY 2010-2011 year, the Village reduced its budget by approximately \$6 million. To that end, the Village pursued federal grants for capital improvement projects that had not yet been completed, they declined to fill six vacant positions, offered voluntary separation program that allowed four additional positions to be vacated, RIF of 9.5 positions, implementing mandatory furloughs for the Village Manager and all department heads, and pay freezes for all non-bargaining unit employees (both step movement and cost-of-living increases) and postponing two capital projects. (Tr. 93-96)

The budget issues did not improve for the FY 2011-2012 year. As a result, the Village had to take further cost reduction measure and again froze the step increases for all non-bargaining unit employees. (Tr. 99)

c. COMPARABLES

The fourth statutory factor for consideration in the interest arbitration process is the selection of comparables. There are external comparable communities, as well as internal comparables in the

form of other bargaining units within the municipality. The process of determining the appropriate pool of comparable communities or jurisdictions is as much art as it is science. Historically, comparability was the most important factor in interest arbitration. In the past few years with the economic downturn, there has been less emphasis put on this factor. However, comparability remains an important factor that must be addressed before the issues can be considered.

Comparability gives the parties' proposals some context. In the mobile, comparison based society that we live in, comparing contractual proposals to other jurisdictions gives the parties' proposal an objective voice. In our society we compare the houses we live in, the schools in the neighborhoods, the cars we drive... we do this to see where we stand relative to those around us. Using comparability in interest arbitration does nothing more than establish where these parties are relative to those around them. The statute requires such an analysis.

The Union proposes the following comparable communities: West Chicago, Batavia, Burbank, Glendale Heights and Villa Park. Additionally, MAP proposes as an internal comparable the Metropolitan Alliance of Police Woodridge Patrol #51 collective bargaining agreement. The Village proposed no comparable communities and only the Metropolitan Alliance of Police Woodridge Patrol #51 as an internal comparable. In their brief, the Village states that they are not waiving their right to propose different comparables in the future and that they are willing to use the five communities proposed by the Union for this case only. The Village chooses not to address the sufficiency of the Union's proposed comparables.

Because the statute specifically lists comparability as a factor for consideration, it would be inappropriate to ignore this factor. The arbitration process has inherent risks for both parties. As has been noted by a number of noted arbitrators, the arbitration process should replicate what the parties themselves would do if left to their own devices. The Employer certainly has the right to not address the question of comparables. However, this puts them in a situation where they will have little say on this issue. The first arbitration hearing is the place to establish the most appropriate comparable pool possible, not to wait and challenge it at some unknown time in the future. Arbitrator Meyers put it this way, "This Arbitrator is mindful of the fact that the proper identification of external comparables, while always important, is of added significance in this proceeding because this identification will have an impact not only as to the parties' new collective bargaining agreement, but will also serve as the foundation for the identification of external comparable in any future interest arbitration proceeding between these two parties." *Western Springs and MAP, Chapter 456, S-MA-09-019 (2010) (pp.7-8)* To say that they will wait and see essentially gives the Village another bite at the proverbial apple – they can agree this time, but if things are different next time, the opportunity to argue still exists. That is not the way this process works.

The Union's proposed comparable communities were selected on the basis of updated, neutral and verifiable data. The Union prepared a database of all the communities in the Chicago Metropolitan area in a spreadsheet containing values for population, distance in miles (from Woodridge), EAV, EAV per capita, Total Revenue, Total Revenue per capita, State Sales Tax, State Sales Tax per capita, General Fund Balance, General Fund Balance per capita, median home value and median income. These particular values were selected because they represent a community's relative resources available to pay wages and benefits for their employees and for the likelihood that the communities would be

seeking employees from a similar job market. The values were obtained from the most recent governmental sources including the Illinois Comptroller's Fiscal Responsibility Report Cards.

After the data had been assembled, the values for Woodridge were compared to all of the other communities within a 25-mile radius of Woodridge starting at a +/-10%. No communities matched all of the search criteria, so the search was expanded in 10% increments up to +/-50% of the Woodridge Values. The Union's proposed comparables are within 8 out of 11 variables at the +/-50% range. The Union relied upon only unionized groups to construct its comparability list. A Summary of this data is included in Union Ex. 7.

In determining which communities to consider as comparable, the Union used a number of criteria, starting with proximity to Woodridge; the Village used a 25 mile radius as a threshold to include jurisdictions. From there, the Union considered a number of different financial factors: each remaining community was compared to Woodridge and awarded a point if it fell within certain criteria – falling within +/- 50% of the stated financial factor. The communities proposed by the Union fell within +/- 50% for 8 out of 11 factors.

The Union used a well-articulated, seemingly neutral method to obtain its pool of external comparable communities and it is therefore adopted. As the Village stated it was not opposed to the five communities proposed by the Union, they are essentially agreed upon.

As for internal comparables, there is one other bargaining unit within the Village. The employees in the police department are unionized. The patrol officers are also represented by MAP, Chapter 51. The Village of Woodridge and the Metropolitan Alliance of Police, Chapter 51 has an established collective bargaining relationship between the patrol officers and the police department. This collective bargaining agreement was negotiated between the same union and employer, without any noted change of circumstances that would require different bargaining or analysis.

IV. OPEN ISSUES

The parties submitted five issues for resolution at the start of the hearing – five economic issues and one non economic issue. The parties agree that the following issues are economic issues under Section 14(g) of the Act:

- (1) wages, Section 16.1 Wage Schedule
- (2) duration, Article XXV - Termination
- (3) holiday pay for 10-hour shift employees, Section 11.7 Holiday in Lieu of Pay
- (4) holidays for CSO's, Section 11.1 Holidays Observed
- (5) uniforms for records assistants, Section 18.1 Uniform Allowance

The parties further agree that the following issue is non-economic:

- (1) entire agreement, Article XXIV – Entire Agreement

In traditional interest arbitration, the moving party bears the burden. The party seeking change must demonstrate that the system it seeks to change has not worked fairly, or even worked at all. The moving party needs to show that it has sought changes at the bargaining table unsuccessfully and that

only through arbitration will change come about. *Will County Board/Sheriff and AFSCME, Local 2961* (Nathan, 1988).

The Village has argued that several of the Union’s proposals are “breakthroughs” or a change in the status quo, which requires an even higher burden. As Arbitrator Meyers pointed out:

It is important to point out that breakthroughs are general understood in the context of a negotiated status quo, a status quo that was established and historically has existed through prior collective bargaining agreements...” (pp 13-14)

Village of Western Springs and MAP, Chapter 456, S-MA-09-019 (2010). Here, like Western Spring, we have an initial contract. There has been no negotiated status quo. Because this is an initial agreement, it would be inappropriate to hold one party to a higher standard as there is no existing agreement in place between these two parties for this bargaining unit. Both sides have agreed that the patrol contract was essentially their baseline for starting their negotiations. That however, does not necessarily make it the “status quo.” It would be difficult to assume that the civilians would have agreed to everything that the patrol unit agreed to since 1991. There are fundamental differences between the groups that make that level of reliance unwarranted here.

A. ECONOMIC ISSUES

The parties stipulated at hearing that there were five issues principally economic in nature: wages, duration, holidays, holiday pay and uniforms. As economic issues, the statute requires selection of one parties’ final offer or the other, the one in the Arbitrator’s estimation that most closely resembles the statutory factors set forth in section (h) of the Act. There is no discretion to fashion some middle ground on these issues. Interestingly enough, the statute does not give any guidance or recommendation as to the significance of each factor in deciding the economic issues. This allows each Arbitrator to consider each factor in relation to the specific facts of each case. The economic issues will be addressed in the order in which they appear in the parties’ collective bargaining agreement.

1. Section 11.1 Holidays Observed

a. Union Final Offer

Full-time Employees will receive the following paid holidays:

New Year's Day	01/01/12	01/01/13	01/01/14	01/01/15
Memorial Day	05/28/12	05/27/13	05/26/14	05/25/15
Independence Day	07/04/12	07/04/13	07/04/14	07/04/15
Labor Day	09/03/12	09/02/13	09/01/14	09/07/15
Thanksgiving Day	11/22/12	11/28/13	11/27/14	11/26/15
Day After Thanksgiving	11/23/12	11/29/13	11/28/14	11/27/15
Christmas Eve Day (full day)	12/24/12	12/24/13	12/24/14	12/24/15
Christmas Day	12/25/12	12/25/13	12/25/14	12/25/15
Four (4) Personal Holidays				

b. Employer final Offer

Full-time Employees will receive the following paid eight-hour holidays (part-time employees will receive holiday pay under this section only if he/she was regularly scheduled to work on the designated date of the holiday, and will receive holiday pay on a prorated basis according to their number of work hours).

New Year's Day

Memorial Day

Independence Day

Labor Day

Thanksgiving Day

Day After Thanksgiving

Christmas Eve Day (full day)

Christmas Day

Four (4) Personal Holidays

c. Analysis

Each of the proposals lists the same holidays. The difference between the proposals is the amount of holiday time the employees get for each day. Under the Union's proposal the employees would receive the amount of holiday pay that corresponds to the number of hours in their work day. For example those employees who work an 8 hour shift would receive 8 hours of holiday pay and employees who work 10 hour shifts would receive 10 hours of holiday pay. Under the Employer's proposal, all employees would receive 8 hours of holiday pay regardless of the length of their scheduled work day. For part time employees, the Employer proposes to pro rate the holiday pay.

The Union opines that the overwhelming majority of this bargaining unit do not work on holidays because the Village offices are closed. For the employees in the records department, the work day is a 10 hour day. The Union points out that under the Employer's proposal, these employees are required to utilize some other form of paid time in order to receive a full paycheck or get their pay docked two hours for every holiday. According to the Union, the Employer's proposal is patently unfair to those employees who work more than 8 hour shifts. The Union's proposal is fairer and should be adopted.

The Employer argues that their proposal is what they have always done – for *all* village employees. The Employer asserts that they are merely staying with the status quo of paying all employees 8 hours for each holiday, including the police officers in MAP, Chapter 51. To go to the Union's proposal would cost the village an extra 16 hours of paid holiday time per year for each 10-hour employee. That, the Employer states, would be unfair, not giving every employee in the village 96 hours of holiday pay per year. The Employer states that their proposal is fair and consistent with its past practice and should be adopted.

In 2008 records clerks asked for more flexible work schedules. After discussion and meetings employees were allowed to work 4-10 hour days instead of 5-8 hour days. (Tr. 139, 143) At that time, the Village indicated that moving to the 10 hour shifts would not change the way the Village had historically looked at vacation pay – it would remain 8 hours per holiday. Employees would be required to use two hours of other accrued paid time to make up the difference. Ultimately, the records

assistants and their supervisor signed a memorandum to Deputy Chief Grady outlining their proposed change in shifts. (Tr. 143, V. EX. 21) In this memo, the employees agreed that changing to the 10 hour shifts would have no impact on holiday pay, and acknowledged that they were aware they would be required to use 2 hours of their time to make up a full paycheck. The memo was signed by all 4 records clerks at the time, three of which are still employed and in the bargaining unit. (Tr. 141-143).

The external comparable jurisdictions show little support for the Union's proposal. Batavia civilians work 8 hour shifts and get 8 hours of holiday pay. Villa Park civilians are scheduled for 8 hour shifts, and the number hours earned for holiday pay is not enumerated in collective bargaining agreement. West Chicago records clerks work 10.5 shifts and CSO's have 8.5 hour shifts, both groups earn 8 hours of holiday pay. There is no information on how Burbank or Glendale Heights handle this issue. The internal comparability favors the Villages' offer over the Union's offer. The patrol contract gives all police officers 8 hours of holiday pay regardless of the length of the shift worked. Those patrol officers who work a 10 hour shift, such as the detectives, receive 8 hours of holiday pay.

While I sympathize with the Union's position on this issue, I believe the Village's proposal on this more accurately represents what the parties would have agreed to if left to their own devices. Given the fact that the employees initiated the change from 8-hour shifts to 10-hour shifts in 2008, agreed to and acknowledged the fact that holiday time would not change with their shifts and the fact that 8 hours of holiday pay treats all employees the same, it is the most appropriate resolution to this issue.

VILLAGE PROPOSAL ADOPTED.

2. Section 11.7 Holiday in Lieu of Pay

a. Union Final Offer

Covered Employees may elect to take observed holidays off work in lieu of receiving holiday pay, without suffering any loss of pay. Such approval shall not be unreasonably denied.

b. Employer final Offer

The Village made no proposal on this issue.

c. Analysis

The Union asserts that this proposal "dovetails" with their proposed language above in Section 11.1. The purpose of the section is to allow employees who are work on holidays the opportunity to take the day off without loss of pay, or to allow those like the records clerks the opportunity work to avoid any loss in pay.

The Village asserts that there is no need for this as it only applies to the CSO's. The Village points out that there is no comparable provision in the police officer's contract. According to the Village, the provision could adversely impact the police department's operations because there are black-out periods during which both patrol officers and CSO's are prohibited from taking time off. The

Village asserts that this language would create ambiguity. Therefore, this provision should not be adopted.

This proposal would only apply to the CSO's as no other employee in the bargaining unit works on the holidays. The CSO's work a 24/7 operation just like that patrol officers and are required to work holidays at times. CSO's do not have the automatic right to take a holiday off and in fact, some holidays, such as the 4th of July, both patrol officers and CSO's are not allowed to take off. There is an increased need for police services during the time and employees who work the 24/7 schedules do not get the time off. (Tr. 149-50)

Because this is an economic issue, there is no ability to deviate from the parties' proposals. The arbitrator must select one proposal or the other. There is probably some middle ground out there to address the Union's concern on this issue, but the language presented potentially creates more problems than it solves. Given the conservative nature of the interest arbitration process, I simply cannot adopt the Union's proposal.

VILLAGE'S PROPOSAL ADOPTED.

3. Section 16.1 Wage Schedule

a. UNION FINAL OFFER

5/1/11	2%
5/1/12	1.75%
5/1/13	2.5%
5/1/14	2.5%

The Union proposes removing the merit component, and consists of 6 steps.

In terms of employee placement, the Union proposes to place employees on the step they would have achieved but for the Village's prior step freezes.

Employees shall be compensated, at minimum, in accordance with the wage schedule attached to this Agreement, as Attachment "A." Wage step placement shall be by years of service, effective 05/01/12. Retroactive wages (if the Agreement is ratified after issuance of the first paycheck after May 1, 2012) shall be paid by separate check to all covered employees within thirty (30) days of the execution date of this Agreement.

b. EMPLOYER FINAL OFFER

5/1/11	2.0%
5/1/12	2.0%
5/1/13	2.0% ⁵

The Village proposes to eliminate the merit component, and the wage matrix will contain 8 steps.

In terms of placement, the Village proposes allowing employees to be advancing steps beginning in FY 12-13 from their current step.

All Employees will receive a two percent (2.0%) wage increase on May 1, 2011, with no step adjustment.

On May 1, 2012, Employees will be paid in accordance with the wage schedule attached to this Agreement as "Appendix A." Appendix A reflects a two percent (2.0%) wage increase for FYs 2012-13 and 2013-14. On May 1, 2012, Employees will move from their current step to the next step in the appropriate row in the wage schedule. Likewise, on May 1, 2013, Employees will move from their current step to the next step in the appropriate row in the wage schedule. If an Employee is already at "Maximum" step on May 1, 2012 and May 1, 2013, the Employee will receive no step adjustment. Newly hired Employees will receive the wage rate specified under the "Minimum" step.

⁵ The Village has proposed a fourth year wage proposal of 1.75% in the event that the Union's proposal on duration (of 4 years) is accepted.

Both parties propose that the wages be fully retroactive to May 1, 2012.

c. ANALYSIS

The employees in this bargaining unit all received a 2% wage increase effective May 1, 2011. Therefore both parties are only seeking retroactivity back to May 1, 2012. There are essentially three components to this proposal – new money put into the wage matrix, the number of steps in the matrix and where the employees will be placed in the matrix. Not surprisingly, the parties are not in agreement on any of the three components. These three items are framed as one issue and therefore it is either the entire Union offer or the entire Village offer that must be accepted. The wage proposals here are somewhat of a package deal under either proposal.

There was at one time a wage schedule for this group of employees. For two consecutive years the village has frozen step movement. Also, for 2010, there were neither merit adjustments nor cost of living increases. As a result, the current employees' steps are not commensurate with their years of service.

The Union's proposal seeks annual increases of 2%, 1.75%, 2.5% and 2.5% if a fourth year is awarded. The Union proposes to put the employees on the step commensurate with their years of service and proposes a 6 step wage matrix. The Employer on the other hand, proposes 2%, 2%, 2% and 1.75%. The Employer wants to keep the employees on the step they are currently on and proposes an 8 step wage matrix.

The Union asserts that their proposal brings parity to the only two bargaining units in the Village. There is no rational basis to keep them different. The Union points out that the Villages' previous ability to manipulate pay rates of non-union employees, which it choose to do, is simply not relevant for comparison purposes here. The employees had no voice to object to pay freezes. That should not be held against them here. The Union also asserts that the purpose of interest arbitration is to put the parties in the position they would have been in if left to their own devices. The Union argues that it is highly unlikely that any Union would agree to the Village's proposal, because it penalizes a substantial portion of the bargaining unit.

The Village asserts their proposal is greater than the average of what others are receiving. According to the Village, average increase for newly negotiated contracts completed in the first quarter of 2012 is only 1.2%. Their proposal is much higher than that. Moreover, the Union's attempt to recover lost wages in this setting is misplaced and should not be granted. The Village's proposed wages are more than necessary to keep the employees relative ranking among the comparables. As the Village points out, the CSO's are at or near the top among the proposed comparables and the Records Assistants consistently improved their positions compared to the comparable communities. Moreover, the Village points to recent legislation that took effect on January 1, 2102. This new legislation requires employers who provide wage increases in excess of 6.0% during an employee's final earnings period to pay that portion of the cost of the employee's pension attributable to the compensation increase over 6.0%. According to the Village, the penalty applies whether the increase is unilateral or negotiated through the collective bargaining process.

There are six employees who, under the Union's proposal will be receiving wage increases in excess of 6.0% for FY 12-13: Castellanos (10.0%), Janus (13.9%), Moers (13.9%), Salinas (10.0%), Bischoff (10.0%) and Schoeneman (14.4%). If any of these employees decided to retire and begin drawing an IMRF pension in the next few years, the Village would be subject to paying additional monies to offset the wage increases in excess of 6.0%. This assumes that any of them are pension eligible or will be soon. According to the Village, the public interest and welfare demand that the Village avoid paying these additional penalties now required by statute.

Internal comparability – There is one other collective bargaining unit in the Village, the police contract, MAP Chapter 51. Unlike all other employees in the Village, the police officers in this bargaining unit continued to receive annual wage increases and step movement over the past few years. The patrol contract was a five year contract that was settled in 2008 and was effective until April 30, 2012. Their contract mandated wage increases of 3.5% in 2007, 4% in 2008, 2009, 2010 and 4.25% in 2011. The remaining employees, as was previously mentioned, had two years where there were wage freezes – 2009 and 2010-then a 2% wage adjustment in 2011. As far as placement on the wage scale, officers in MAP, Chapter 51 are placed on the wage matrix commensurate with their years of service.

External Comparability – The comparables for this unit include Villa Park, Batavia, Glendale Heights and West Chicago. In terms of relative ranking, for the CSO's starting salary Woodridge is second for all years between 2008 and 2011. For top pay, the CSO's are the highest paid or tied for the highest paid for 2007 – 2011. For the records assistants, the Woodridge relative ranking is low in 2007, after a big jump in 2008 to second place, the records assistants are also at or near the top for starting wages for 2009 – 2011. For top wages for the records assistants, Woodridge starts off towards the bottom in 2007, but moves to the midpoint for 2008 then slips back again for 2009 and 2010.

Another factor commonly considered in interest arbitration that has direct bearing on wages is the consumer price index. Both sides presented information on the CPI in various forms. Both relied on information from the Bureau of Labor Statistics. According to the BLS, the CPI non-seasonally adjusted rate for the Chicago-Gary-Kenosha area for 2011 is 2.7; the non-seasonally adjusted rate for all urban consumers for 2012 is 2.9. While the CPI can be an important factor, it can also be an exercise in futility. The differing methods of computing the CPI, seasonal adjustments, geographic area considered, among other things make sole reliance on any CPI data untenable. Throw in the Employment Cost Index and you have muddy waters that no one can see through. Suffice it to say, there are numbers for the CPI for 2011 anywhere from 1.3 to 3.6, and for 2012 from 1.3 to 2.9. Going further out gets even more speculative, but results in 2013 numbers from 2.0 to 2.2.

Finally, the new law in Illinois must be considered. As the Village noted, the Illinois legislature has passed a new law to get a handle on salaries for pension purposes. The law essentially penalized public sector employers for giving employees raises in excess of 6% for the last years of the employees' career. Essentially, the Employer will be obligated to pay the pensionable amount in excess of the 6%. What exactly that equates to remains to be seen, but there is a definite incentive for employers to keep a lid on employee salaries at the end of their careers.

This brings to the spotlight one of the other statutory factors that does not get as much air time as some others, but cannot be overlooked here - the interests and welfare of the public. Knowing that the law will now penalize employers for giving raises out of greater than 6%, it is going to be much more difficult for employers and unions to negotiate larger wage adjustments or catch-up wages even where

they are warranted. So, a provision that gives employees a multiple step increase all at once can be potentially dangerous for employers. It is not something that should be awarded lightly and without complete justification.

Given the difficult economy, the comparables, the fact that the Village's proposal puts the officers near the CPI, the employees' wages compared to their external comparables and the new law, there is no basis to award the Union's proposal.

VILLAGE'S WAGE OFFER IS ADOPTED.

4. ARTICLE XXV – TERMINATION

a. Union Final Offer

Section 25.1 Termination in 2015

This Agreement shall be effective as of the day after it is executed by both parties and shall remain in force and effect until April 30, 2015, provided that the Wage Schedule for fiscal year 2011-2012 shall be effective on May 1, 2011. This Agreement shall be automatically renewed from year to year thereafter unless either party shall notify the other in writing at least one hundred twenty (120) days prior to the anniversary date that it desires to modify this Agreement. In the event that such notice is given, negotiations shall begin no later than ninety (90) days prior to the anniversary date. In the event that either party desires to terminate this Agreement, written notice must be given to the other party no later than ten (10) days prior to the desired termination date, which shall not be before April 30, 2015, or a subsequent anniversary date of the Agreement.

Executed this _____ day of _____, 20____, after receiving approval by the Mayor and Board of Trustees and ratification by the Chapter's membership.

METROPOLITAN ALLIANCE
OF POLICE, WOODRIDGE
CIVILIANS CHAPTER #639

VILLAGE OF WOODRIDGE

METROPOLITAN ALLIANCE
OF POLICE, JOSEPH ANDALINA,
PRESIDENT

VILLAGE OF WOODRIDGE

b. Employer Final Offer

Section 25.1. Termination in 2014.

This Agreement shall be effective as of the day after it is executed by both parties, and shall remain in force and effect until April 30, 2014. This Agreement shall be automatically renewed from year to year thereafter unless either party shall notify the other in writing at least one hundred twenty (120) days prior to the anniversary date that it desires to modify this Agreement. In the event that such notice is given, negotiations shall begin no later than ninety

(90) days prior to the anniversary date. In the event that either party desires to terminate this Agreement, written notice must be given to the other party no later than ten (10) days prior to the desired termination date, which shall not be before April 30, 2014 or a subsequent anniversary date of the Agreement.

Executed this _____ day of _____, 2012, after receiving approval by the Mayor and Board of Trustees and ratification by the Chapter's membership.

METROPOLITAN ALLIANCE
OF POLICE, WOODRIDGE
CIVILIANS CHAPTER #639

VILLAGE OF WOODRIDGE

c. Analysis

There are two differences between the proposals. The first is the number of years – the Union proposes a four year contract, and the Village proposes a three year contract. The second is the signature block – the Union proposes that the local steward, the Village and MAP all sign the agreement and the Village proposes only the local steward and the Village sign the agreement.

The Union points out that MAP is the parent organization for this bargaining unit and ultimately makes decisions such as providing legal defense, arbitration costs and expenses, and other internal matters. No harm can be caused to the Village by the Union being a signatory to the collective bargaining agreement, and in fact, the Union is a required signatory in every collective bargaining agreement that the Metropolitan Alliance of Police has been involved with.

The Village focuses its agreements on the appropriateness of a three year agreement as compared to a four year agreement and not on the differences in the signature line.

The patrol contract is signed by Joseph Andalina, MAP president, as well as three members of the bargaining unit. The signature block does not divide out space for the Union and the local stewards separately. The fact remains that the Metropolitan Alliance of Police is the legal entity with the authority to enter into this collective bargaining agreement, not the local stewards. There was no evidence presented that this is an unusual affiliation that would remove that authority from MAP. As a result, it would be inappropriate to have the local stewards sign the agreement instead of an officer of MAP; there is nothing wrong with having the local stewards sign off on the agreement, just not as the only signatory.

UNION PROPOSAL ADOPTED.

5. Section 18.1 Uniform Allowance

a. UNION FINAL OFFER –

The Village will furnish a new Employee (or an existing employee transferred into a different covered position) with a complete uniform as set forth in Appendix B, attached hereto. An Employee shall thereafter be eligible for a uniform allowance, beginning with the first full fiscal year (May 1 through April 30) following his/her date of hire. The amount of the uniform allowance shall be \$675 for a “hard uniform” or \$475 for a “soft uniform” per fiscal year for the duration of this agreement. An Employee who is regularly required to wear a uniform may utilize his/her allowance by purchasing a new uniform item and having it charged against his/her allowance. Employees are responsible for cleaning and maintaining their uniforms and for projecting a professional appearance at all times.

b. EMPLOYER FINAL OFFER

The Village will furnish a new Community Service Officer with a complete uniform. An Employee shall thereafter be eligible for a uniform allowance, beginning with the first full fiscal year (May 1 through April 30) following his/her date of hire. The amount of the uniform allowance shall be \$675 for a “hard uniform” or \$475 for a “soft uniform” (the Chief will designate which uniform type will apply to a particular Community Service Officer). Community Service Officers are responsible for cleaning and maintaining their uniforms and for projecting a professional appearance at all times. No other bargaining unit members will be required to wear uniforms, but will be expected to dress professionally.

c. ANALYSIS

The Union has proposed that the employees continue to get \$675 for a “hard uniform” and \$475 for a “soft uniform.” A “hard uniform” is like the traditional police uniform. (Tr. 153) A “soft uniform” is essentially khaki pants with polo shirts. (Tr. 153) The polo shirts have the logo of the Village of Woodridge on them. The Union argues that eliminating the uniform allowance for its members amounts to a cut in compensation, as they would now have to buy “professional” clothes to wear to work, they would just no longer receive any compensation for them. They also argue that the Village’s standard of “professional dress” is vague. Their proposal is a reflection of the status quo.

The Village argues that there is no longer a need for a uniform allowance for those employees who wear soft uniforms. The soft uniforms are less formal than the hard uniforms. The Village went to the soft uniforms at the employees request a few years ago. Now, they Village supports casual Fridays as well. So, with the four day work week, the employees are actually only wearing the soft uniforms three days each week now. Moreover, there have been issues with providing employees uniform pants and now employees can buy pants anywhere.

The internal comparability supports the notion of a uniform allowance. However, patrol officers, like the CSO’s really have no option – they are required to wear a hard uniform. Most of the civilians are not.

Both parties agree that the CSO’s should be required to wear uniforms of some sort. The Union proposal would require them to wear hard uniforms and the Village proposal would give the Chief the authority to decide what uniform each CSO should wear i.e. a soft uniform or a hard uniform. The bigger disagreement comes with the rest of the unit.

According to Chief Boehm, the employees requested to get away from the hard uniforms a few years ago. (Tr. 154) As a result, the Village agreed to go to the soft uniforms. However, those uniforms were not without issue either. There were challenges with getting pants that were appropriate for everyone through a Village vendor. (Tr. 156-7) They are at the point now where the employees can purchase the pants at any retail store. Besides that, the Chief does not feel it really makes sense to require them to wear uniforms anyway. (Tr. 158) Most of the employees are not out in the field performing police work. (Tr. 157-8) Many have little or no contact with the public and there is really no need for them to wear a formal uniform.

VILLAGE'S PROPOSAL IS ADOPTED.

B. NON-ECONOMIC ISSUES

The parties agree that there is one non-economic issue: Article XXIV - Entire Agreement.

1. ARTICLE XXIV ENTIRE AGREEMENT

a. Union Final Offer

This Agreement constitutes the complete and entire Agreement between the parties and concludes collective bargaining between the parties for its term. This Agreement supersedes and cancels all prior practices and agreements, whether written or oral, which conflict with the express terms of this Agreement. The parties acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law or ordinance from the area of collective bargaining, and that the understanding and agreements arrived at by the parties after the exercise of that right opportunity are set forth in this Agreement.

b. Employer Final Offer

This Agreement constitutes the complete and entire Agreement between the parties and concludes collective bargaining between the parties for its term. This Agreement supersedes and cancels all prior practices and agreements, whether written or oral, which conflict with the express terms of this Agreement. If a past practice is not addressed in this Agreement, it may be changed by the Village as provided in the management rights clause, Article II. The parties acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law or ordinance from the area of collective bargaining, and that the understanding and agreements arrived at by the parties after the exercise of that right opportunity are set forth in this Agreement. The Association specifically waives any right it may have to impact or effects bargaining for the life of this Agreement.

c. Analysis

There are two distinctions that the Village wants to add to the Union's proposal. First is the sentence addressing past practices. The second involves a waiver of impact bargaining rights. The remaining language in the two proposals is identical. The union's language is the same as the language in the patrol contract.

The Union argues that there were at least two circumstances where the Village was looking to change past practices. If the Village's proposed language were included, they would not have had any recourse to the changes. Moreover, the Village's language specifically waives any right to bargain over the impact of any changes. The Union argues that these are essential rights and they should not be forced to give them up without any *quid pro quo*.

The Village asserts that they are merely proposing the language in the patrol contract. The Village maintains that this exact language has been in the patrol contract since the first patrol contract was negotiated in 1991. The Village argues that this would constitute a negotiated status quo and the traditional breakthrough analysis should apply here. This issue, unlike several others, has no unique significance to this bargaining unit. According to the Village, the parties in this case have worked together to agree to adopt over 57 sections of the patrol agreement and this demonstrates that they are both comfortable with this "status quo." Moreover, the Village points out that there to their knowledge, there has never been any grievance or unfair labor practice over this particular section of the patrol contract. So, it should remain the same for this group of employees.

As previously discussed, the patrol contract is not the status quo for this agreement. It was certainly relied upon by both sides as a starting point. But, like with the uniform allowance, one size does not necessarily fit all. No one present at the hearing was privy to the reasons why the patrol officers gave up the right to impact bargain to agreed to the language regarding past practice. As both sides are aware, life, and certainly negotiations, is a series of trade-offs. No doubt that negotiation was no different.

The arbitration process should replicate what the parties would do themselves if they were left to their own devices. Given that interest arbitration is such a conservative process, it would be inappropriate to take away those two provisions from this bargaining unit. This type of provision should be a result of the natural give and take of the bargaining process, not a mandate from the neutral.

UNION PROPOSAL ADOPTED

CONCLUSION

For all the reasons stated above, the Arbitrator finds as follows:

- a. Economic Issues
 - i. Section 11.1 – Holidays Observed – VILLAGE PROPOSAL ADOPTED
 - ii. Section 11.7 – Holiday in Lieu of Pay – VILLAGE PROPOSAL ADOPTED
 - iii. Section 16.1 – Wages – VILLAGE PROPOSAL ADOPTED
 - iv. Article XXV – Termination – UNION PROPOSAL ADOPTED
 - v. Section 18.1 – Uniform Allowance – VILLAGE PROPOSAL ADOPTED

- b. Non-Economic Issues
 - i. Entire Agreement – UNION PROPOSAL ADOPTED

The parties Tentative Agreement are hereby incorporated by reference and attached as Exhibit A to this award.



Michelle Camden,
Arbitrator

Dated: August 31, 2012