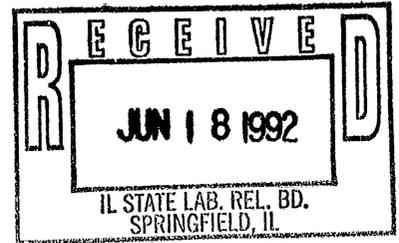


ARBITRATION AWARD



* * * * *
In The Matter of
Interest Arbitration Between
County of St. Clair and
St. Clair County Sheriff's Dept.
and
Illinois Fraternal Order of
Police Labor Council
* * * * *

S-MA-91-047

APPEARANCES

- FOR THE COUNTY - IVAN SCHRAEDER
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St. Louis, MO 63105
FOR FOP Labor Council - THOMAS SONNEBORN and
GARY BAILEY
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FOP Labor Council
974 Clocktower Driver
Springfield, IL 62704
Arbitration Panel - DUANE L. TRAYNOR, Chairman
510 E. Monroe Street, 3rd Flr.
Springfield, IL 62701
Union Delegate STEVE ROUSEY
Field Representative
IOP Labor Council
612 S. Russell
Champaign, IL 61821
County Delegate - CAPT. JAMES LAY
c/o Sheriff's Office
700 N. Fifth
Belleville, IL 62221
TIME AND PLACE OF HEARING - January 30, 1992
Sheriff's Office
5th and F Street
Belleville, IL

COPY

PRELIMINARY MATTERS

On October 22, 1991 the Illinois State Labor Relations Board notified the Chairman that he had been selected as the Chairman of the above entitled interest arbitration panel. Pursuant to agreement of the parties the statutory and rule regulation to have the hearing commence within 15 days of his appointment was waived by the parties and the hearing scheduled for January 30, 1992. Post-hearing briefs were received on March 23, 1992 and due to the Chairman's commitments the parties waived the 30-day deadline for the submission of the Award.

At the beginning of the hearing the parties stipulated and agreed as follows:

1) That the arbitration panel has jurisdiction of the subject matter and the parties.

2) That the arbitration panel has the jurisdiction and authority to issue an award providing for increases in wages and compensation retroactively effective to January 1, 1991 and to January 1, 1992.

3) That the parties would present their evidence in narrative style and that the witnesses were only to be used to resolve factual disputes or clarify the exhibits that the parties introduced.

4) That prior tentative agreements reached by the parties during negotiations were to be presented to the arbitration panel for inclusion in its award as stipulated terms of the parties' successor labor agreement.

These tentative agreements are attached to this award as an addendum thereto and by reference thereto are incorporated in the award. These documents include:

- | | |
|--|---|
| (1) Grievance form | (13) Non-Discrimination
(Article IV) |
| (2) Dues deduction form | (14) Sick Leave
(Article X) |
| (3) Grievance procedure
(Article V) | (15) Seniority
(Article VII) |
| (4) Hours and Overtime
(Article VI) | (16) Holidays
(Article VIII) |

- | | |
|---|--|
| (5) Vacations
(Article IX) | (17) Leaves of Absence
(Article XI) |
| (6) General Provisions
(Article XVI) | (18) Clothing-Maintenance/
Clothing Allowance
(Article XIII) |
| (7) Officers' Rights
(Article XVII) | (19) Working out of
classification
(Article XIV) |
| (8) Complete Agreement
(Article XIX) | (20) Savings Provision-
partial invalidity
(Article XVIII) |
| (9) Duration
(Article XVI) | (21) Labor-Management
Conferences
(Article XX) |
| (10) Preamble | (22) Dues Deduction and
Fair Share
(Article XXI) |
| (11) Recognition
(Article I) | (23) No Strike
(Article III) |
| (12) Management Rights
(Article II) | |

ISSUES

Pursuant to the provisions of Section 1614 of the Illinois Public Relations Act the parties, at the beginning of the hearing, identified three economic issues which were in dispute. Those issues are:

(1) Wages: By what percentage shall the wages for all bargaining unit emmployees be increased:

- (a) retroactively effective to January 1, 1991, and
- (b) retroactively effective to January 1, 1992?

(2) Longevity: By what method and by which amounts will employees receive longevity payments added to their base salaries?

(3) Insurance: Whether any changes in premiums, coverage and/or benefits which the Employer may make to the employees' health insurance program will be subject to impact bargaining during the term of the agreement?

FINAL OFFERS

At the beginning of the hearing the parties presented their final offers on the three issues. They are as follows:

"(1) WAGES: Section 12.01 of the new Agreement. The parties' final offers for across-the-board wage increases for all bargaining unit employees were:

Effective Date:	Employer	Union
Retroactively effective 1-1-91	4.5%	7%
Retroactively effective 1-1-92	4.0%	5%

(2) LONGEVITY: Section 12.03 of the new Agreement. The parties' final offers regarding longevity were as follows:

(A) EMPLOYER FINAL OFFER: The Employer proposes that:

'In addition their annual base wage, officers shall receive pay based upon completed years of continuous service, as of January 1st of each year, according to the following schedule. Longevity will be paid on a prorated basis, with the total amount of longevity pay earned divided by the number of pay periods in the calendar year and the quotient added to each eligible officer's pay check for that year.

Longevity pay schedule:

After completion of five (5) years of continuous service, five hundred thirty-five dollars (\$535.00) will be paid during the sixth (6th) year of continuous service;

After completion of six (6) years of continuous service; one hundred seven dollars (\$107.00) will be added

to the initial five hundred thirty-five dollars (\$535.00) for each additional continuous year of completed service thereafter, to be paid during each succeeding year of continuous service.'

This adjustment to be made effective January 1, 1991.

(B) UNION FINAL OFFER: The Union proposes that:

'Effective January 1, 1992, all bargaining unit employees receive longevity pay, as follows: After the completion of the 5th year of service, the sum of Five Hundred Dollars (\$500) shall be added to the employee's base salary. After the completion of each year of service thereafter, through the completion of twenty years of service, an additional 3/4% increase in base salary shall be added as longevity pay each year.'

(3) INSURANCE: Section 15 of the new Agreement. The parties' final offers regarding health insurance were as follows:

(A) EMPLOYER OFFER: The Employer proposes no change in the current contract language appearing in Article 15, which reads as follows:

The Employer agrees to provide health, welfare and pension plans consistent with the county-wide fringe benefits package. Officer contributions toward the cost of the benefit package will be consistent with county-wide policies and practices.

Any changes in benefits that are consistent with county-wide policies and practices will not be subject to impact bargaining during the term of the Agreement. Any increases in the cost of employee contributions to health and welfare premiums shall be based upon factors pertaining to actual costs of providing health and welfare benefits.

(B) UNION FINAL OFFER: The Union proposed to modify the current language in the labor agreement concerning insurance to read as follows:

(Note: Proposed new language appears in **bold** type. Language to be deleted appears in strikethrough):

The Employer agrees to provide health, welfare and pension plans consistent with the county-wide fringe

benefit package. Officer contributions toward the cost of the benefit package will be consistent with county-wide policies and practices.

Any changes in **premiums, coverage and/or** benefits shall be consistent with county-wide policies and practices and will not be subject to impact bargaining during the term of this Agreement. Any increases in the costs of employee contributions to health and welfare premiums shall be based upon factors pertaining to actual costs of providing health and welfare benefits."

FACTS

The parties prior contract expired December 31, 1990. Negotiations for a new contract began near the end of 1990 and continued well into 1991 resulting in the tentative agreements attached to this Award as an addendum. The parties, however, were unable to reach an agreement on the three issues presented to the Arbitration Panel. With the issuance of this Award in May 1992 and assuming that the County Board approves the agreement, this contract will expire December 31, 1992 and will be subject to re-negotiations some time prior thereto.

Section 14 of the Illinois Public Relations Act (h) dealing with security employees, peace officers, and firefighters disputes provides that the Arbitration Panel in resolving the issues presented to it shall base its findings, opinions and order upon certain enunciated factors, eight in number. The first is a lawful authority of the Employer. The County concedes that it has the lawful authority to resolve the issues. A second factor is stipulations of the parties. These have heretofore been set out. The third factor is changes in any of the circumstances during the pending of the arbitration proceedings. The circumstances existing prior to arbitration are the same as those existing at the time of the arbitration hearing without change. This factor, therefore, can have no influence on this decision. The other relative five factors are:

"(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

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.* * *

(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."

THE INTERESTS AND WELFARE OF THE PUBLIC AND
THE FINANCIAL ABILITY OF THE UNIT OF GOVERNMENT
TO MEET THOSE COSTS.

The County, in its brief, states: "It is noted that no evidence or argument was presented as to the financial ability of the Employer to pay and therefore such consideration is not appropriate for review by the Arbitrator". At the same time it admits that for the relevant years of the Agreement there is available levels of revenue to pay the raises which it proposes. The Arbitration Panel in considering this factor must not only determine whether there are funds available to pay the raises proposed by the County, but also whether the County has the ability to meet the raises proposed by the Union if it should adopt such proposals.

Contrary to the Employer's contention, the Union put into evidence a number of exhibits showing that property tax revenues limited to the General Fund only in St. Clair County has risen from \$1,849,815 in 1984 to a high of \$4,032,022 in 1990 with the County

demonstrating that this increase is the result of an overall rise during that period of time. Sales tax revenue for the General Fund only have increased from a low in 1984 of \$840,926 to a high of \$4,290,262 in 1990. Similar increases to the General Fund occurred in licenses, permits & fines, and investment earnings. These total \$15,725,680. The 1982 St. Clair County Budget estimates the General Fund revenues at \$19,280,925.

The Union's exhibits demonstrate that the County's fiscal policies are sound in that over the years from 1984 through 1990 the County has consistently, in its budgeting, budgeted more monies from the General Fund than it actually spends resulting in extra monies available in every year from 1984 to 1990 ranging from a low of \$782,780 in 1985 to a high of \$4,284,137 in 1990. Union exhibits show the this same practice of over-budgeting likewise occurred in Public Safety for those same years. The Union points out that this matter appears to be repeated in the 1992 Budget and Employer's exhibit "EMP:DD" where the overall 2-year package proposal of the Employer would increase salaries for Deputy Sheriffs to \$25,482 at a time the Employer budgeted \$25,726 for each such position. The Corrections Officers, under the Employer's proposal, would receive \$21,815 while the 1992 Budget included \$22,024 for each such position. A review of the 1991 Budget by the Chairman shows a similar overbudgeting for that year.

A Union exhibit shows that adjusting for inflation real revenues increased from \$13,316,681 in 1984 to nearly \$22,000,000 in 1990 (\$21,947,085). A Union exhibit generalized the revenues available for General Fund use for the years 1984 through 1990. During that period the total government revenue rose each year from approximately \$22,000,000 in 1984 to \$44,000,000 in 1992. Of those totals, a little over 50% in each of those years, with the exception of 1989, was unavailable for the General Fund use, thus indicating consistent patterns. Union Exhibits, based upon the 1990, the latest figures available, demonstrate that the \$22,000,000 General Fund could pay off current liabilities over 55 times by merely spending its cash on hand and current investments and the 1990 long-term debt of \$2,480,000 could likewise be paid off from the ending fund balance.

A review of the 1991 and 1992 Budgets shows that in 1991 the anticipated ending General Fund balance was

\$11,802,160 and the 1992 anticipated ending General Fund balance was \$10,560,701.

The Employer argues that while it currently maintains what appears to be a large surplus in its year-end accounts, it is important to note the Employer is required by ordinances to maintain six month's of operating amounts in its balances and it has embarked on a large economic development project which has committed a large amount of paper reserves to expenditures.

The 1991 Budget shows the reserve figure to be a minimum balance of \$8,999,935. It also shows the 1991 General Fund appropriation at \$17,999,870. It appears to the panel that the maintaining of a minimum operating balance is not a limiting factor on salary increases, but is more a matter of prioritizing.

There was little testimony on a large economic development project. It was stated: "there are new projects that have been undertaken that are -- at least the front one has been financed out of general revenue, not the least of which the Scott Air Base conversion." The 1991 Budget has a document with the heading "1991 Appropriations by Funds". Listed thereon is General 17,999,870 and Joint Use Cap/Dev. Scott \$13,000,000. This indicates to the Panel that the General Fund under which these Bargaining Unit employees are paid is not affected by any economic development projects and is not limited thereby.

Based upon the above figures and the conclusions to be drawn therefrom, the Arbitration Panel finds that the Employer has the financial ability to meet the pay raises of either last offer.

This factor also required a consideration of the interests and welfare of the public. The Arbitration Panel recognizes that the maintenance of a well-trained police force who can respond to public needs, apprehend law violators and render these services to the public are in its best interest and welfare and therefore needs to be adequately compensated to ensure continuity of employment in the service of the County. The Panel also recognizes that it is likewise in the best interest and welfare of the public that well-trained and able correctional officers who see that criminal violators are properly incarcerated and handled in an acceptable

manner without involving the County in lawsuits is also in the best interest of the public and therefore needs stability in personnel which stability can only be obtained through proper remuneration.

COMPARISON OF THE WAGES AND CONDITIONS OF
EMPLOYMENT OF 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.

The Union, in attempt to support its position on all three issues, advanced the following counties as comparable to St. Clair County: Madison, Peoria, Winnebago, Champaign, and Sangamon and advanced their reasons therefore. The Employer agreed that all those counties were comparable with the exception of Winnebago, inserting in place thereof Macon County. Both the statute and the regulations speak of comparables in public and private employment. Neither party submitted any evidence concerning comparables in private employment. The Union submitted evidence of what it considered comparable employment for these employees in cities in the St. Clair County area. In its Brief, however, the Union made no argument with respect to these cities. This Union advances cogent arguments as to why Winnebago is a comparable. The Employer advances no reasons for including Macon. A review of the Collective Bargaining Agreements for those two counties suggests that they were chosen because Winnebago County had a 10% wage increase favorable to the Union's position and Macon County had a 4% wage increase for deputies, a position favoring the County.

It is for the Arbitration Panel to determine what are to be considered comparables. While some of the demographics would appear to make Winnebago County a comparable, examination of their Collective Bargaining Agreement, not only includes employees of the sheriff, but the County Clerk, the Recorder of Deeds, the County Coroner, the County Auditor and the County Treasurer. It would appear to the Panel that such a contract encompassing so many other employees over and above those in the Sheriff's Department involved many negotiation questions causing compromises that would not be involved in a single department. In addition, Winnebago County is far removed from St. Clair County and its environs

including the city of St. Louis. While Winnebago County might be subject to Chicago and Cook County influence, it is ninety miles away from that hub of influence which, in the opinion of the Panel, distinguishes it from St. Louis which is across the river from St. Clair County. It is for these reasons the Panel rejects Winnebago County as a comparable.

It, likewise, rejects Macon County as a comparable as is pointed out in the Union's Brief the population of that county of 117,206 is not a great deal different than LaSalle County (100,913); McClean County (129,180); Rock Island County (148,723); and Tazewell County (123,692). While there are other counties just as eligible on the basis of population, at least, for consideration, the inclusion of Macon County appears to merely have been included in an attempt to unfairly prejudice the Panel in favor of the Employer.

Whereas here, there is unanimity of agreement on four counties out of five as being comparable, the Panel believes that for the purposes of comparison those counties on which the parties agree are the ones to be used for comparison purposes.

THE AVERAGE CONSUMER PRICES FOR GOODS AND SERVICES COMMONLY KNOWN AS THE COST OF LIVING

There is little disagreement and, in fact, there can be no disagreement as to the cost of living indexes. Both parties have to deal with the same indexes. This factor impacts primarily on wages and the arguments and positions of the parties with respect to the effect of cost of living based upon proven index figures will be taken into consideration in the appropriate discussions with respect to the issues involved.

The Union's evidence included a chart showing the impact of the cost of living upon the St. Clair County employees salaries from January 1990 through December 1991. The date of the last wage increase was used as a starting point to calculate the loss to the cost of living. For those employees who started employment after January 1990, the month in which they were hired was used. The date included a combination of what each employee's salary was in January of 1990 and January of 1992. The employees' salaries were converted into constant dollars for that

period. To reproduce these charts would unduly lengthen this Award. Suffice to say, depending on the employee's length of service, the percent of loss in buying power ranged from 7.61% to one employee at .94% and two at 9% under the CPI-U. Forty-eight were at 7.61%, five between 7% and 7.61%, eleven between 6 and 7%, and the rest were below 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

The Union, in its evidence and in its Brief in arguing for its positions on the three issues, gave little heed to this factor other than longevity and insurance coverage. The Employer, on the other hand, not only included those elements, but also as other benefits received, the yearly clothing allotment, education incentive, personal days, meals, holidays buy-out, sick leave buy-out, two-week bonus, Illinois Municipal Relief Fund payments, stand-by payments, a clothing maintenance allowance, dependent's coverage for medical, dental, vision and life insurance payments, life insurance and holiday/vacation compensation.

These 16 items will hereinafter be discussed and findings made as they relate to the three issues.

ISSUE NO. 1 - WAGES

The final offers propose a wage increase for both the Deputies and Correction Officers in the same percentage amounts. Using the 1990 wages as a starting base, Section 12.01 of the new Agreement dealing with wages as proposed by the parties is as follows:

Effective date:

	<u>Employer</u>	<u>Union</u>
Retroactively effective 1-1-91:	4-5%	7%
Retroactively effective 1-1-92:	4.0%	5%

In the presentation of its case, the Employer admitted that all other County employees had received a 5½% increase, presumably in 1991 although that was not specifically stated. The Employer suggested the only exception was a unit of employees called Intergovernmental Grants Department. This small unit of some 18 to 20 employees was alleged received less than 5% while the Employer's Exhibit "L" contained this Department's contracts for May 1988 to June 1991 and from July 1991 to June 1995, the latter contract referred to in Exhibit Appendix A which unfortunately was not attached to the contract. In its presentation, the Employer, in part, sought to justify its 4½% offer by pointing out that it was required by law to contribute to the Illinois Municipal Retirement Fund 2% more for employees of the Sheriff's Department than for the other County employees, thus arguing that when such 2% was added to the 4½% offer, it amounted to a 6½ percent wage increase. The Employer's exhibits show that in 1991 the County was required to contribute 10.16% of earnings paid all county employees to the IMRF. The exhibit was also suppose to contain required contributions for the Sheriff's Law Enforcement personnel, allegedly 2% higher, but such document was not attached to the exhibit. Similar documents for 1992 show that the Employer's contribution for all employees, except the Sheriff's personnel, was 10.5% and for the Sheriff's Law Enforcement personnel 12.68%, thus demonstrating the 2% difference.

Employer exhibits for the year 1990 show contributions of 9.44% and 10.94% respectively. In 1989, it was 7.84% and 10.48%. In 1988, it was 5.78% and 5.48% respectively. no explanation was offered to explain these differences. A review of these same exhibits shows that the employee contributions by the Sheriff's Department increased from 1% to 2% as the Employer's contributions increased.

The problem with these law enforced contributions is that while they add to the County's expenditures, they don't, even when presumably conferring on Sheriff's Department employees some benefit not enjoyed by other County employees, help towards the Sheriff's Department employee's ability to maintain sustained buying power or wages comparable to employees in other Sheriff's Departments and counties who have to be similarly IRMF affected. To judge them with these increased expenses and in comparing them with other County employees' raises of 5½% when these increases are not subject to Collective Bargaining is grossly unfair.

We have heretofore referred to the sixteen items which the Employer believes should be taken into consideration as overall compensation presently received by these employees. The list began with fringe benefits, medical, dental and vision insurance, yearly clothing allotment, personal days, meals, etc. It is interesting to note that the expired prior contract contains no provision, unlike some of the comparable counties, requiring the Sheriff to provide uniforms, nor does that contract, insofar as the Chairman was able to determine, provide any provision with respect to meals. They are something the Employer feels are necessary expenditures in order to operate the kind of Department it does. A review by the Chairman of comparable County contracts show they contain provisions, while not exactly the same as those of St. Clair County, for the payment of fringe benefits of medical, dental, vision, dependent coverage in those areas as well as provisions for life insurance and dependent coverage, personal days, holiday and vacation time, etc. While these items are an expense to the Employer, the same or similar expenses occur in the comparable counties who, like St. Clair County, must negotiate wages. Where the comparable counties have similar problems and provisions solving them, it is the Panel's belief that these items should not be taken into consideration in making a decision on wage increases.

The following Chart I is a comparison of the 1991 salaries for Patrol Officers in counties comparable to St. Clair County, including therein St. Clair County. It demonstrates what the various salaries are for each of the comparable counties according to their contract beginning with the starting salary and going up to 20 years of service. These figures include the parties' longevity offer which "kicks in" after five years. It compares St. Clair County current salaries with the average of all the comparable counties which average includes St. Clair County and then compares the Union's 7% offer with what St. Clair County is presently paying.

CHART I

1991 SALARIES FOR PATROL OFFICERS IN COUNTIES COMPARABLE TO ST. CLAIR COUNTY

County	Effective Date	Starting Salary	After 1 Year	After 5 Years	After 10 Years	After 15 Years	After 20 Years
Champaign	1991	\$22,152	\$24,413	\$26,111	\$28,988	\$30,592	\$31,630
St. Clair	Current	\$23,447	\$23,447	\$23,947	\$24,447	\$24,947	\$25,447
Madison*	1991	\$27,102	\$29,078	\$30,532	\$31,986	\$33,440	\$33,440
Franklin	1991	\$23,538	\$24,009	\$28,221	\$30,429	\$33,222	\$36,877
Georgia	1991	\$21,500	\$22,050	\$24,250	\$27,000	\$29,750	\$32,500
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St. Clair: Current		\$23,447	\$23,447	\$23,947	\$24,447	\$24,947	\$25,447
Average:		\$23,578	\$24,599	\$26,612	\$28,570	\$30,390	\$31,983
Difference:		\$ 101	(\$1,152)	(\$2,665)	\$4,123)	(\$5,443)	(\$6,536)
<hr/>							
Union Offer	1991	\$25,088	\$25,088	\$25,588	\$26,088	\$26,588	\$27,088
Average		\$23,578	\$24,599	\$26,612	\$28,570	\$30,390	\$31,983
Difference:		\$ 1,430	\$ 489	(\$1,024)	(\$2,482)	(\$3,802)	(\$4,895)

Source: Collective Bargaining Agreements

Madison County Deputies also receive:
 8¢/hr. for all assigned to permanent shift;
 10¢/hr. for temporary assignment to 3rd shift;
 10¢/hr. for temporary assignment to 2nd shift.

The following Chart II differs from the preceding chart in dealing with 1991 salaries for Patrol Officers in comparable counties in that it excludes St. Clair County from the average comparing the resulting effect of the 4½% and 7% wage offers with the average salaries. The figures beginning with the fifth year includes the longevity offer at \$500 not \$507 and increment of \$100 not \$107. The Union's figures include its longevity offer. Since the Union's offer would start January 1, 1992, its longevity figures were inserted for comparison purposes.

CHART II

1991 SALARIES FOR PATROL OFFICERS IN COUNTIES COMPARABLE TO ST. CLAIR COUNTY

County	Effective Date	Starting Salary	After 1 Year	After 5 Years	After 10 Years	After 15 Years	After 20 Years
Champaign	1991	\$22,152	\$24,413	\$26,111	\$28,988	\$30,592	\$31,630
St. Clair	Current	\$23,447	\$23,447	\$23,947	\$24,447	\$24,947	\$25,447
Madison	1991	\$27,102	\$29,078	\$30,532	\$31,986	\$33,440	\$33,440
Sangamon	1991	\$23,538	\$24,009	\$28,221	\$30,429	\$33,222	\$36,877
Peoria	1991	\$21,500	\$22,050	\$24,250	\$27,000	\$29,750	\$32,500
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St. Clair	Current	\$23,447	\$23,447	\$23,947	\$24,447	\$24,947	\$25,447
Average:		\$23,578	\$24,599	\$26,612	\$28,570	\$30,390	\$31,979
Difference:		\$ 101	(\$1,152)	(\$2,665)	(\$4,123)	\$5,443)	(\$6,532)
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Union Offer	1991	\$25,088	\$25,088	\$25,588	\$26,088	\$26,588	\$27,088
Average:		\$23,578	\$24,599	\$26,612	\$28,570	\$30,390	\$31,979
Difference		\$ 1,430	\$ 489	(\$1,024)	(\$2,482)	(\$3,802)	(\$4,891)
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Employer Offer	1991	\$24,502	\$24,502	\$25,037	\$25,572	\$26,107	\$26,642
Average w/out		\$23,573	\$24,888	\$27,288	\$29,601	\$31,751	\$36,612
St. Clair		\$23,573	\$24,888	\$27,288	\$29,601	\$31,751	\$36,612
Difference		\$ 929	(\$ 386)	(\$2,251)	(\$4,029)	(\$5,644)	(\$6,970)
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Union Offer	1991	\$25,088	\$25,088	\$25,588	\$26,088	\$26,588	\$27,088
Average w/out		\$23,573	\$24,888	\$27,288	\$29,601	\$31,751	\$36,612
St. Clair		\$23,573	\$24,888	\$27,288	\$29,601	\$31,751	\$36,612
Difference		\$ 1,515	\$ 200	(\$1,700)	(\$3,513)	(\$5,163)	(\$9,524)

It can be seen therefrom that no matter what average is used, St. Clair County Patrol Officers, beginning after five years of service, start falling behind the average of the salaries paid in comparable counties.

Under the County's proposal, the 1991 starting salary for Deputies would be \$24,502 (current \$23,447 X 4½%). Its proposed starting salary for 1992 would be \$25,482 (\$24,502 X 4%). Under the Union proposal the 1991 starting salary would be \$25,088 (\$23,447 X 7%) and the 1992 starting salary would be \$26,342 (\$25,088 X 5%).

In the sixth year of the contract longevity as proposed by the Employer and the Union "kicks in". The following chart sets forth the 1992 Patrol Officers salary for the comparable counties including St. Clair County wages under the current expired contract which is included in the average. Followed with a comparison of St. Clair County current or expired contract salaries including longevity beginning after five years as called for in the expired contract and a comparison with the average of these counties and the 1992 Union's offer of 5% and its longevity offer.

CHART III

1992 SALARIES FOR PATROL OFFICERS IN COUNTIES COMPARABLE TO ST. CLAIR COUNTY

County	Effective Date	Starting Salary	After 1 Year	After 5 Years	After 10 Years	After 15 Years	After 20 Years
Champaign	1992	\$23,254	\$25,634	\$27,417	\$30,437	\$32,122	\$33,212
St. Clair	Current	\$23,447	\$23,447	\$23,947	\$24,447	\$24,947	\$25,447
Madison*	1992	\$28,038	\$30,014	\$31,515	\$33,015	\$34,516	\$34,516
Sangamon	1992	\$24,481	\$24,970	\$29,350	\$31,698	\$34,551	\$38,352
Peoria	1992	\$21,930	\$22,491	\$24,735	\$27,540	\$30,345	\$33,150
St. Clair: Current		\$23,447	\$23,447	\$23,947	\$24,447	\$24,947	\$25,447
Average		\$24,230	\$25,311	\$27,393	\$29,427	\$31,296	\$32,935
Difference:		(\$ 783)	(\$1,864)	(\$3,446)	(\$4,980)	(\$6,349)	(\$7,488)
Union Offer	1992	\$26,342	\$26,342	\$26,842	\$27,849	\$28,856	\$29,862
Average		\$24,230	\$25,311	\$27,393	\$29,427	\$31,296	\$32,935
Difference:		\$ 2,112	\$ 1,031	(\$550)	(\$2,578)	(\$2,441)	(\$3,073)

Source: Collective Bargaining Agreements

*Madison County Deputies also receive:
 18¢/hr. for all assigned to permanent shift;
 20¢/hr. for temporary assignment to 3rd shift;
 30¢/hr. for temporary assignment to 2nd shift.

The following chart makes the same comparisons for Deputies between the Employer's 1992 offer and the Union's offer with the average of the four comparable counties, thus excluding St. Clair County in the average.

CHART IV

County	Effective Date	Starting Salary	After 1 Year	After 5 Years	After 10 Years	After 15 Years	After 20 Years
Employer's Offer	1/1/92	\$25,482	\$25,482	\$25,989	\$26,027	\$26,567	\$27,102
Average w/out St. Clair		\$24,426	\$25,702	\$28,254	\$30,672	\$32,884	\$34,808
Difference		\$ 1,056	(\$220)	(263)	(\$4,645)	(\$6,317)	(\$7,706)
Union Offer	1/1/92	\$26,342	\$26,342	\$26,842	\$27,849	\$28,856	\$29,862
Average w/out St. Clair		\$24,426	\$27,702	\$28,254	\$30,672	\$32,883	\$34,808
Difference		\$1,916	\$ 640	(\$1,412)	(\$2,823)	(\$4,028)	(\$4,946)

While the Union's offer increased the starting and first year wages over that of the Employer, it can readily be seen that beginning with the sixth year a disparity with the averages occurs.

The following chart shows the 1991 salaries for Correctional Officers in the comparable counties. Included therein are the St. Clair County salaries based on the expired current contract. A comparison is made between the Union's offer and St. Clair County salaries as they currently exist.

CHART V

County	Effective Date	Starting Salary	After 1 Year	After 5 Years	After 10 Years	After 15 Years	After 20 Years
Champaign	1991	\$21,840	\$22,360	\$23,400	\$24,440	\$24,960	\$24,960
St. Clair	Current	\$20,073	\$20,073	\$20,573	\$21,073	\$21,573	\$22,073
Madison	1991	\$26,541	\$28,496	\$29,921	\$31,346	\$32,770	\$32,770
Sangamon 1	1991	n/a	\$17,237	\$17,237	\$18,461	\$18,461	\$19,753
Sangamon 2	1991	\$14,679	\$15,667	n/a	n/a	n/a	n/a
St. Clair: Current Average:		\$20,073	\$20,073	\$20,573	\$21,073	\$21,573	\$22,073
Difference:		\$20,783	\$20,767	\$22,783	\$23,830	\$25,464	\$25,823
		(\$710)	(\$694)	(\$2,210)	(\$2,757)	(\$3,891)	(\$3,750)
Union Offer: 1991 Average:		\$21,478	\$21,478	\$21,978	\$22,478	\$22,978	\$23,478
Difference:		\$20,783	\$20,767	\$22,783	\$23,830	\$25,464	\$25,823
		\$695	\$711	(\$805)	(\$1,352)	(\$2,486)	(\$2,345)

Source: Collective Bargaining Agreements

Using St. Clair County's 4½% offer, the comparison is:

St. Clair Average	\$20,976	\$20,976	\$21,511	\$22,046	\$22,581	\$23,116
Difference	\$20,783	\$20,767	\$22,783	\$23,830	\$25,464	\$25,832
	\$193	\$209	(1,272)	(1,784)	(2,883)	(2,716)

The following chart shows the 1992 Correctional Officers salaries in the comparable counties. Included therein is St. Clair County salaries based upon the expired current contract. It makes a comparison between the current contract and the Union's offer based upon the averages of the comparable counties which averages include St. Clair County.

CHART VI

County	Effective Date	Starting Salary	After 1 Year	After 5 Years	After 10 Years	After 15 Years	After 20 Years
Champaign	1992	\$22,360	\$22,880	\$23,920	\$25,960	\$25,480	\$25,480
St. Clair	Current	\$20,073	\$20,073	\$20,573	\$21,073	\$21,573	\$22,073
Madison	1992	\$27,477	\$29,432	\$30,904	\$32,375	\$33,847	\$33,847
Sangamon 1	1992	n/a	n/a	\$18,099	\$19,384	\$19,384	\$20,741
Sangamon 2	1992	\$14,679	\$15,667	n/a	n/a	n/a	n/a
Peoria	1992	not avail.	not avail.	not avail.	not avail.	not avail.	not avail.
St. Clair	Current	\$20,073	\$20,073	\$20,573	\$21,073	\$21,573	\$22,073
Average		\$20,795	\$22,013	\$23,374	\$24,448	\$25,071	\$26,653
Difference:		(\$722)	(\$1,940)	(\$2,801)	(\$3,375)	(\$3,498)	(\$4,580)
Union Offer:	1992	\$22,552	\$22,552	\$23,052	\$23,916	\$24,781	\$25,645
Average		\$20,795	\$22,013	\$23,374	\$24,448	\$25,071	\$26,653
Difference:		\$1,757	\$539	(\$322)	(\$532)	(\$290)	(\$1,008)

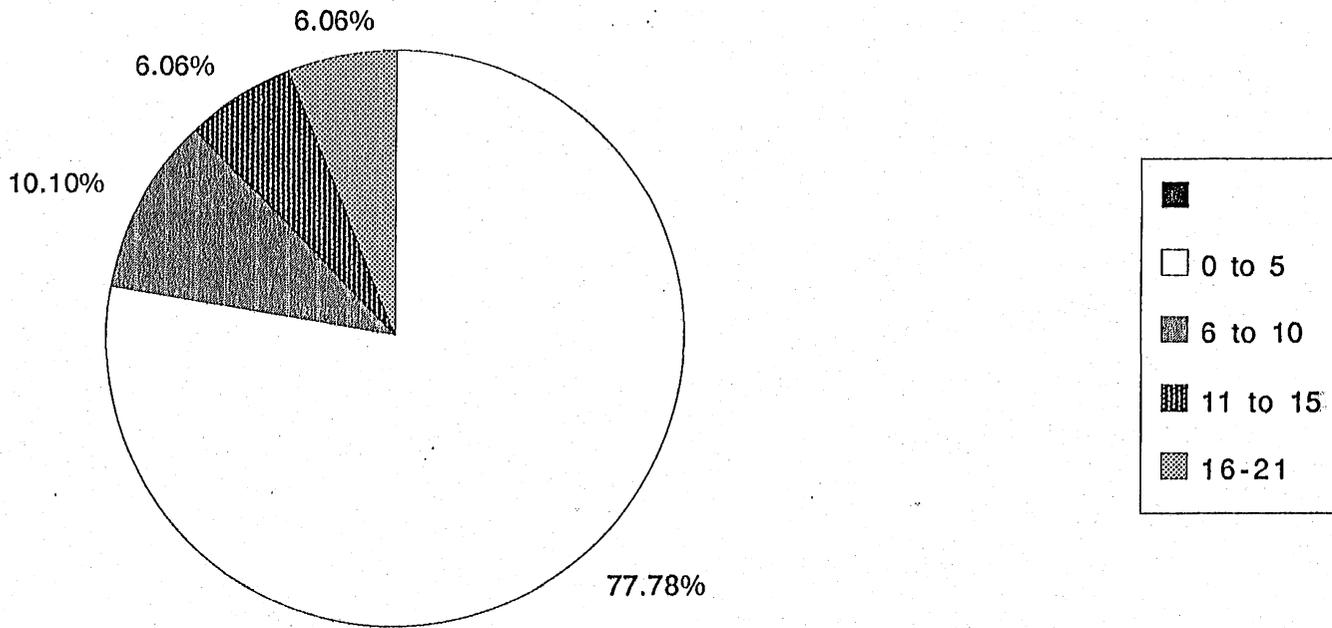
Source: Collective Bargaining Agreements

Using St. Clair County's 4% offer, the comparison with the Union's offer is:

St. Clair	\$21,815	\$21,815	\$22,350	\$22,885	\$23,420	\$23,955
Average	\$20,795	\$22,013	\$23,273	\$24,448	\$25,071	\$26,653
Difference	\$1,020	(\$198)	(1,024)	(1,563)	(1,651)	(2,698)

The following chart shows the percentage of employees various length of service in the Sheriff's Department.

% of Employees' Various Lengths of Service with the St. Clair County Sheriff's Department



The Employer, rather than putting the salary increases of the comparables in terms of dollars as is set forth in the above charts, made the 1991 wage comparisons in terms of percentage of increase. No comparison of increase for the 1992 wages was furnished. The Chairman, using copies of the comparable counties, computed the percentages of the 1992 wage increases. These figures are as follows:

1991 Wage Comparison

<u>County</u>	<u>1991 % Increase</u>	<u>1992 % Increase</u>
St. Clair (Employer Proposed)		
Deputies	4.5%	4.0%
Correction Officers	4.5%	4.0%
Peoria		
Deputies	4.5%	4.0%
Correction Officers	4.0%	n/a
Sangamon		
Deputies	5.0%	4.0%
Correction Officers	5.0%	5.0%
Champaign		
Deputies	5.0%	5.0%
Correction Officers	5.0%	1.9%
Madison		
Deputies	3.5%	4.9%
Correction Officers	3.5%	2.38%

The Employer asserts that the 4.5% increase offered by it not only is comparable to the other counties but it keeps the Employer in relatively stable ranking among the selected comparables as well. The Employer asserts that the amount of new money necessary to pay its proposed 1991 raise of 4.5% is \$97,912.31. It further asserts that when this raise is compounded by the other payroll related increases for the unit, the total amount of the new cost annually to the Employer is \$121,120.94. The related costs referred to are apparently the 18 items beginning with fringe benefit medical, dental, and vision heretofore referred to and which the Panel has rejected as having a bearing on wage increases as other comparables have the same or similar costs. The Chairman computes the new money necessary to pay the proposed 1991 raise of 7% is \$152,308.00 or \$54,396.00 more in new money than the Employer's proposal. The Employer argues that the Employer's offer more appropriately maintains fiscal responsibility which is in the public interest and welfare than does the Union's proposal.

Relying on the data set forth in the 1991 charts showing comparable county salaries and a comparison with the party's offer and excluding St. Clair County from the analysis, the current starting salary for St. Clair County is below the average of the comparables by \$101.00 and below that paid in Sangamon and Madison County. It argues that St. Clair County must compete with Madison County, its next-door neighbor in the local area market for new hires and that even with the Union's proposal with a starting pay of \$25,088.00 in 1991, it still does not match Madison County with respect to the 1992 salaries. The effect of the Union's combined first and second year proposals would bring the deputies slightly up comparably, but still behind Madison County. It acknowledges that at the starting salary step the need for substantial improvement is not present as is with the remaining steps. However, again, if St. Clair is to remain competitive with Madison County in the local market area, the Union's proposed starting salary is important. A study of the 1991 salary chart shows that while a Union offer represents increases for employees in the first two years, those employees with longer service start to dramatically fall behind the average of their comparable counterparts.

DISCUSSION OF THE WAGE ISSUE

Three of the most important factors to be considered in deciding a wage issue are the ability of the agency to

pay, the cost of living and the wages paid to employees in comparable positions in similar agencies. In considering comparables, consideration has to be given, not only to the percentages of increases given by comparable agencies, but also to wage amounts on which those increases are paid. We have heretofore found that whichever wage offer is adopted, the County has the ability to finance them.

The last wage increase was in 1990. These employees have continued to be paid at those wage rates all through 1991 and until at least such time as an Award is accepted, which at the earliest would be at least six months into 1992. As the Union's evidence shows, all of the employees have suffered a loss in buying power during this period of time. The Employer's exhibit showing the salaries of all the members of the Sheriff's Department in 1992 indicates there is a little over 90 individuals in this Bargaining Unit over half of which have suffered by 7% loss in buying power as of January 1992. A 4½¢ raise beginning January 1, 1991 will not compensate these employees for that loss.

While a percentage increase in wages similar to that of comparable agencies is a criteria to be considered by the Arbitration Panel, when those percentage figures don't make the employees relatively equal in wages received by their counterparts, the application of a percentage figure similar to what other agencies gave, will never permit an equalization on the average wages of the comparables. Under those circumstances, the percentage figures are to be rejected in favor of an equalization of wages. As the 1991 chart II shows, the Union's offer of a \$25,088 starting salary will result in \$1,436 higher than the average starting salary of the comparables and is \$501 more than the Employer's offer. The Union's 1992 offer of \$26,342 will result in \$1,916 over the average and is \$860 more than the County's offer, both offers being less than that of Madison County at \$27,102 which is the only county of the four comparables with which St. Clair County must compete in the local area. (Chart IV)

As the Union admits, the starting salary under either offer doesn't indicate the need for a substantial improvement, but this need is demonstrated when one considers the plight of the deputies who have worked more than one year and are compared with their counterparts in comparable counties. See Charts I to IV for Patrol Officers and V VI for Correctional Officers.

Under the Employer's offer, after the second year, these deputies fall \$386 behind the average and are only \$200 above the average under the Union's offer. By the fifth year, they fall further behind the average of the comparable making under the Employer's offer \$2,251 less than the average and even under the Union's offer \$1700 under the average. See Chart II. A check of the Chart III for Patrol Officers for 1992 shows that even beginning with the starting salary the Employer's offer results in a salary which is less than the average of the comparables when St. Clair County's 1990 wages are included in the average and continues to be less from the fifth year through the twentieth while even the Union's offer results in a less than average salary in the fifth year. Without including St. Clair County in the averages, the Deputies in the second year under the Employer's offer fall \$220 below the average, while under the Union's offer they are above the average by \$640. After five years, under both offers, they fall behind the average. (Chart IV)

A review of the Charts V and VI for 1991 and 1992 on the Correctional Officers shows results similar to that of the Patrol Officers.

While the starting salary offer of the Employer might be considered adequate for a starting salary, the Union's exhibit on cost of living indicates there are 14 individuals who had one year of service as of January 1992 and 16 who had less than one year of service in January 1992 so that the Employer's offer for the first year is marginal with respect to meeting the average salaries of the comparables, but there exists approximately 26% of the work force who have more than 5 years and who would be adversely affected by the Employer's offer as the charts demonstrate. In considering wage proposals, the adverse affect on these employees must be given consideration.

The Panel must give consideration to the cost of living factor. The evidence shows that nearly half the employees have suffered a 7.61% loss in buying power since January 1990 based on current wages.

There is another factor which merits consideration as to which final offer the Panel should adopt. That factor deals with the recognizing of the principle that all employees within the jurisdiction of the agency be

treated equally. The Employer granted 5.5% increases in 1991 to its other employees, Union and non-Union, with the exception of one small unit where allegedly it increased the salaries 5%. The Employer would justify its 4.5% offer instead of a 5.5% offer by considering expenditures on behalf of the employees in this unit which it alleges gives them benefits not enjoyed by those receiving a 5.5% raise and thus its offer is comparable to or better than what was given other employees. We have rejected this contention. What is involved is equal buying power. By offering a wage increase of 5.5% to some employees and only 4.5% to others results in disparate treatment furnishing it another reason for rejecting the Employer's salary wage offer.

It is the conclusion of the Panel that the Employer's wage offer, while providing for comparable starting wages in the first year of the contract, doesn't adequately address the needs of those employees who make up better than 75% of the work force. Its 4½% offer will not keep these employees even with the cost of living. The Union's offer, on the other hand, provides for wages for starting employees and those in their second year well above the average, an unwarranted increase. We, however, are required to accept one of the two final offers without any modification.

Based upon the above comments, it is the Panel's belief that it is in the best interest of the employees in the Sheriff's Department and the need of the public to have a stable Sheriff's work force to adopt the final offer of the Union of 7% wage increase in 1991 and a 5% wage increase in 1992.

AWARD

The Panel adopts the Union's final offer as to the Wage Issue.

ISSUE NO. 2 - LONGEVITY

The parties' final offer as to longevity is set forth on page 4 of the Award. Basically, the Employer's final offer was that its longevity proposal would become effective January 1, 1991. After completion of five years, the employee's wages would be increased by five hundred and thirty-five dollars (\$535.00) on January 1 following the employee's anniversary date. Such employee's wages would January 1 following the employee's anniversary date be increased in yearly increments of \$107 for each year of continuous service thereafter. These figures represent an increase from five hundred dollars (\$500.00) and one hundred dollars (\$100.00) called for in the current contract which expired in December 1990.

The Union's final offer proposed the longevity payments to begin effective January 1, 1992, a five hundred dollar (\$500.00) payment to be added to the employee's base salary after the completion of five years of service starting with the anniversary date. Each year thereafter through the completion of twenty years of service, an additional three quarters percent increase in the base salary would be added as longevity pay each year. A comparison of the impact of the parties' final offers on longevity schedule is as follows:

<u>COMPLETED SERVICE</u>	<u>CURRENT</u>	<u>EMPLOYER</u>	<u>UNION OFFER IN %</u>	<u>UNION IN \$</u> ⁴
After 5 years service	\$ 500	\$ 535	\$500	\$ 500
After 6 years service	\$ 600	\$ 642	0.75% of base	\$ 679.60
After 7 years service	\$ 700	\$ 749	1.50% of base	\$ 859.20
After 8 years service	\$ 800	\$ 856	2.25% of base	\$1,038.80
After 9 years service	\$ 900	\$ 963	3.00% of base	\$1,217.41
After 10 years service	\$1,000	\$1,070	3.75% of base	\$1,398.01
After 11 years service	\$1,100	\$1,177	4.50% of base	\$1,577.62
After 12 years service	\$1,200	\$1,283	5.25% of base	\$1,757.21
After 13 years service	\$1,300	\$1,390	6.00% of base	\$1,936.82
After 14 years service	\$1,400	\$1,497	6.75% of base	\$2,116.42
After 15 years service	\$1,500	\$1,604	7.50% of base	\$2,296.03
After 16 years service	\$1,600	\$1,711	8.25% of base	\$2,475.63
After 17 years service	\$1,700	\$1,818	9.00% of base	\$2,655.23
After 18 years service	\$1,800	\$1,925	9.75% of base	\$2,834.83
After 19 years service	\$1,900	\$2,032	10.50% of base	\$3,014.44
After 20 years service	\$2,000	\$2,139	11.25% of base	\$3,194.04
After 21 years service	\$2,100	\$2,246	11.25% of base	\$3,194.04
After 22 years service	\$2,200	\$2,353	11.25% of base	\$3,194.04
After 23 years service	\$2,300	\$2,460	11.25% of base	\$3,194.04
After 24 years service	\$2,400	\$2,567	11.25% of base	\$3,194.04
After 25 years service	\$2,500	\$2,673	11.25% of base	\$3,194.04

The foregoing schedule was prepared by the Union. Calculations were based on the current 1990 salaries of Patrol Officers/Detectives to illustrate the impact of the Union's percentage based longevity system. The Union's dollar amounts would increase after six years of service due to its 7% increase as heretofore awarded as an example. The 1991 base salary will be \$25,088.

The following illustrates the differences based on the 4½% and 7% offers showing the additions to base pay.

<u>Completed Service</u>	<u>Employer</u>	<u>Union</u>	<u>Difference</u>
After 5 years	\$535	\$500	(\$35)
After 6 years	\$642	\$688	\$46
After 7 years	\$749	\$876	\$127
After 8 years	\$856	\$1,064	\$205
After 9 years	\$963	\$1,256	\$293
After 10 years	\$1,070	\$1,406	\$336
After 20 years	\$2,139	\$3,447	\$1,308

Exhibits show the comparable counties longevity systems for Deputies are:

Madison County - Employees with five years of service 5% of base pay.
 Employees with 10 years of service - 10% of base pay.
 Employees with 15 years of service - 15% of base pay.

Sangamon County - Longevity payments are added to their base salaries as of their anniversary dates starting at the following increments:
 6 years - 6% of base
 11 years - 8% of base
 (i.e. 6% + 8% equals 14%)
 16 years - 9% of base
 (i.e. 6% + 8% + 9% equals 23%)
 21 years - 11% of base (i.e. 6% + 8% + 9% + 11% equals 34%)

Peoria County - 2% of the then effective minimum base salary for the classification after 5 years of service.
 An additional 2% of the effective minimum base salary after 10 years of service.
 Accumulative effect is 4% increase.
 An additional 2% of the effective minimum base salary after 15 years of service.
 Accumulative effect 6% of base.
 An additional salary increase of 2% of the then effective minimum base salary after completing 20 years of service.
 Accumulative effect 8% after 20 years.

Champaign County - The Union's evidence had a longevity schedule for Patrol Officers. A review of Champaign County's 1990 through 1992 Contract by the Chairman disclosed it was applicable to Corrections Officers as set out hereinafter. The Champaign County Contract for Deputies does not contain a provision for longevity merely 5% pay increases for the second year and a 10% of the 1st year hourly wages in the third year.

The following data was provided by the Union's and Employer's evidence concerning the longevity systems in comparable counties with respect to Correction Officers:

Madison County -

5% after 5 years of service
10% after 10 years of service
15% after 15 years of service

Sangamon County -

2% after 5 years of service
5% after 10 years of service
7% after 15 years of service

Peoria County -

It has a modified form of longevity in that with the beginning contract date Correction Officers wages are established on a sliding scale depending on years of service. Thereafter 4% yearly increases apply to all salaries as so accrued.

Champaign County -

5% after 5 years of service
12% after 10 years of service
14% after 15 years of service

The following exhibit compiled by the Chairman illustrates the additional longevity costs to the County should the Panel adopt the Union's wage proposals of 7% and 5%. The figures are approximate as the Employer's figures are actual while the Union exhibit was prepared prior to the hearing and before it was furnished the Employer's exhibits N and O setting forth the actual figures.

Wage and Longevity Costs
Employer Exhibits N and O

	1990	1991	1992	
	\$2,175,829	\$2,273,741	\$2,240,925	
Difference		\$97,912	\$32,816	Total \$130,728

	<u>Wage and Longevity Costs</u>		
	<u>Union Exhibit - 24 - Union offer and</u>		
	Employer Longevity		
	\$2,151,235	\$3,302,060	\$2,428,948*
Difference		\$28,319	

Cost 1992 Union Proposal \$2,445,836
Difference \$ 46,888

*U-24 - Wages \$2,398,948 and approximately \$30,000 Employer's Longevity.

It can be seen from the foregoing that under the Employer's proposal the total additional 1991 and 1992 costs for longevity are \$130,728 and the Union's proposal, since under the Union's proposal no longevity would occur until 1992, the Employer's costs for 1991 are not increased, thus the additional cost to the Employer in 1992 over what it would be if the Employer's longevity offer was accepted would be \$18,569, (\$46,808 - \$28,319).

It was the Employer's testimony that Sheriff's Department employees are the only ones in the County which enjoy any form of longevity.

THE EMPLOYER ARGUES that the current longevity was adopted by agreement of the parties and the longevity method so adopted has always related to a flat fee amount payable after the fifth year of service and for each year of service thereafter. It contends the flat fee has

escalated by the parties through negotiations to its current \$100 a year commencing after the fifth year. It opposes a change in the method calculation. It argues that the Employer's proposal relates to a two-year increase which it believes rewards the long-term employees in a method heretofore agreed to by the parties and maintains a fiscally manageable system of salary progression. By its offer of \$7.00 a year increase, the cost to the Employer will be \$2,044 in 1991 and \$2,198 in 1992. The Employer thinks the Union's proposal increase eligible employee's amounts by percentages so that the longer a person is employed, the greater becomes the percentage of increase. It calculates that if the proposal is adopted, it will cost the county approximately \$30,600 in new money in 1992. It points out that such a system over the years will escalate the Employer's costs on an accelerating basis as the work force serves more years with the Employer. Thus, the percentage increase acts as a compounding effect on all base raises offered each year so that the ultimate cost to the Employer is not calculable without knowing what the future raises will be. It suggests that the Union's proposal is both unreasonable and over reaching in the context of the economic conditions in St. Clair County and the area in general. The \$30,000 plus annual increase is not minimal when compared with \$2,198 increased costs. Under the Employer's proposal, the base system results in just the first year of a 1500% difference in costs. As the years are projected out, the split accelerates.

It urges the Arbitration Panel in assessing the longevity proposals to consider that this unit enjoys the benefit with regard thereto not available to other employees of the County. So, even at the current level of longevity, this unit is already advantaged over others.

It argues that the longevity system should be evaluated on a case by case basis through the negotiation process, not by way of arbitration, especially where the method of calculation has been adopted and followed for several years.

Given the fact that the parties will be back at the table later this year, it maintains it is unwise to break through ground by arbitration that will position one of the parties better than the other. The Employer's proposal represents a 7% increase in longevity calculation which provides greater increases than inflation for the two-year period of the contract under review and leaves the issue open to future negotiations.

If the Arbitration Panel determines that longevity must be assessed in light of external comparables, the Employer asserts that there is not a clear pattern that emerges from this evidence and that all the counties have unique systems developed to provide for some incentive for longer term employees.

Countering the Union's claim that longevity needs to be changed to reward the long-term employees, the Employer points out that there are few employees who are eligible for longevity at this point in time. That group represents less than 20% of the total unit. (Employer's Exhibits N and O would indicate approximately 25% in 1991, 33% in 1992.) Those few employees would be granted in excess of \$30,000 a year at the expense of the remaining employees.) It argues that this is not a sufficient number to warrant a major change of the system. It asserts that the "breakthrough" impact will be felt in unacceptable amounts as the unit expands its longevity in years beyond those intended in this contract. The long-term impact to the Employer is great because a new system of computation will be created. Such a change now is both inappropriate and unnecessary when viewing the entire employees affected now against the long-term costs of the Employer.

It argues that the only clear comparable is that each county has a system of reward for senior officers, but there is no clear cut type of system that exists. The unit has adopted a system by prior negotiations that is comparable to some of the counties where there are no clear cut comparables and that the new system is best left to the negotiating process and not imposed on the parties by arbitration in a "breakthrough" decision.

THE UNION ARGUES that St. Clair County is the only county where comparables are considered that as a flat model of \$100 per year, the effect of which is to depress salaries at the more senior steps. Using the charts heretofore set out listing the comparable counties and comparing them with the parties' offers it argued that under both the Union and Employer's longevity plans beginning with after 5 years of service the Patrol Officers and Correctional Officers fall behind the average remuneration received by the comparables. However, the adoption of the Union's proposal would move them closer to the average. The Deputy wage differences in 1992 at five years would be Employer's \$3,346, Union's \$550; after

10 years, \$4,980 - \$1,578; after 15 years, \$6,349 - \$2,441; after 20 years, \$7,488 - \$3,073 respectively. (See Chart III) The Correctional Officers charts shows similar differences. It points out that no evidence was given to support the proposition that other employees who received 5½% for 1991 were paid comparably with other counterparts; that under the exhibits, Animal Control Warden I in St. Clair County are paid \$20,774 annually while Correctional Officers' current annual salary is \$20,073. Under the current contract, with the County having persons responsible for maintaining human prisoners who had a start pay are making less than their counterparts who are responsible for canine prisoners. The 1992 annual salary for Traffic Sign Maintainers under the IAM contract with the County is \$27,814 which is \$2,367 more than the highest paid Deputy Sheriff under the current contract. The Union asserts that the Employer's low ball, across-the-board final offer is a stalking horse for the County's true goal in this proceeding to win on the issue of longevity. "Why else would the County tube its own wage offer?"

DISCUSSION OF THE LONGEVITY ISSUE

Since we have already held that the interest and welfare of the public are best served by having a well-trained and stable and experienced Sheriff's Department personnel and that the County has the financial ability to meet the costs with respect to all three issues, the resolution of the longevity issue is to be resolved by the application of the factors having to do with the comparison of wages and conditions of employment with comparable agencies, the average consumer prices for goods and services known as the cost of living, and the overall compensation presently received by the employees including direct wage compensation and fringe benefits. In connection with the latter it is to be noted that the other City employees receive similar fringe benefits except those which are peculiar to the Sheriff's Department, such as clothing allowances, clothing maintenance, a 2% IMRF contribution, possibly education and longevity. Other than longevity, which might have an impact under that factor, all others including those peculiar to the position including the continuity and stability of employment are not determinate factors.

As the Charts I through VI indicate, particularly where these employees are compared with the average

salaries including longevity of the comparables, these employees in some instances after the first year and in all instances after the fifth year of employment are paid considerably less than the average of the comparable counties, averaged without St. Clair County, and even when St. Clair County is averaged in, one falls behind the averages the longer one is employed. In 1991, using the Employer's 4½% offer, Patrol Officers beginning in the first year are behind \$386 to \$6,970 after 20 years. Under the Union's offer, they fall \$1700 behind after 5 years and \$9,524 after 20 years. (Chart II) In 1992, under the Employer's 4% offer, it is \$220 after the first year and \$7,706. The Union's 5% offer narrows the gap but it is still \$4,946 after 20 years. (Chart IV) Charts V and VI reflect similar patterns for Correctional Officers.

The Employer argues that its flat fee amount is one that the parties have dealt with for several years; to adopt the percentage increase acts as a compounding effect on base raises offered each year, so that the ultimate cost of the Employer is not calculable without knowing what future raises will be. It suggests that the Union's proposal is both unreasonable and over-reaching in the context of the economic conditions in St. Clair County and the area in general and estimates that it will cost approximately \$30,600 in new money in 1992 if it is adopted. It argues that the longevity system should be evaluated on a case by case basis and not by way of arbitration especially where the method of calculation has been adopted and followed for several years. It maintains it is unwise to "breakthrough" new ground by arbitration that will position one of the parties better than the other and since the parties are to be back in negotiations within a few months; it is better left to negotiations at that time. If, however, the Arbitration Panel determines longevity must be assessed in the light of external comparables, it asserts that there is no clear pattern emerging from the evidence as all counties have unique systems developed to provide some incentive for longer employees.

There isn't any question but to adopt the Union's offer will increase the costs of longevity in the year 1992. The Chairman calculates that this figure is closer to \$19,000 rather than \$30,600 and is a figure that the County can well afford.

The Panel rejects the argument that a decision should be delayed for further negotiations. The parties have had nearly two years of negotiations and have not been able to resolve this issue. It therefore needs to be resolved through arbitration. It is an issue which might, in the private sector, well cause a strike. Interest arbitration is legislatively mandated to avoid such a situation. Hence, it needs to be resolved without further negotiations. We find the argument that a percentage increase acts as a compounding of factor on all base raises offered each year so that the ultimate cost the the Employer is not calculable without knowing what the future raises will be is not persuasive. The Employer knows exactly what employees will be eligible for these increases and can calculate them. As to future raises, a percentage increase can well impact on negotiations as to the size of future raises when it comes to negotiating them and has to be part of the bargaining process at that time.

While there is some merit to the Employer's position that the Panel in assessing longevity proposals should consider that this unit enjoys a benefit with regard thereto not available to other employees of the County and therefore are already advantaged over the others, as we recognize that increase wages based upon longevity, not enjoyed by other employees can well impact on wage negotiations with employees in other bargaining units, we still must evaluate the offers as to whether or not these employees, when receiving longevity, are paid so that their wages are comparable to those individuals doing similar work in the area where they perform their services.

The Employer asserts that there is not a clear pattern that emerges from the evidence justifying the use of external comparables. Contrary to that contention, the evidence shows that the comparables, with respect to Patrol Deputies, uniformly increase wages by a percentage after 5, 10, 15 or 20 years of service. Madison increases it by 5%; Sangamon by 6%, Peoria by 2% at 5 years. Both the Union and Employer's offers of \$25,088 and \$24,502 respectively with a 5 year increase of \$535 amounts to only a 2% increase after 5 years.

As the Chairman computes it, under the Union's base 1991 salary of \$25,088 for Deputies, those entitled to longevity pay under its proposal would between their sixth through their tenth year, the greatest single group, would receive 188 more per year or \$2820 in total wages over

five years than those with 5 years or less. Madison County Deputies who get a 5% increase after five years would receive \$5270 in the same period of time. Sangamon County Deputies would receive \$21,060 (Computations are taken from Chart II) From the eleventh year through the fifteenth yeears, the St. Clair County eligible Deputies would receive a total \$6,585. Comparable figures for Madison (10%) and Sangamon County are \$7270 and \$11,040 respectively.

Further progressions could be shown but the above serves to further illustrate how St. Clair County Deputies longevity payments leave them behind what is paid comparable counties.

Similar computations on the Corectional Officers will produce like results. As is set out on Page 29, the differences between the Employer's proposal and the Union's proposal is \$35.00 less after 5 years, \$46.00 more after 6 years, \$127 more after 7 years and almost \$300.00 after 9 years. Even after 20 years the figure is \$1,308 difference. Since most of the employees have five years or less of service and very few are eligible for longevity pay from ten years on, the cost of these increases is small and readily calculable.

In addition to the external comparables, the Union points out that the Animal Control Warden I in St. Clair County is paid \$20,774 annually, while the Correctional Officer's current annual salary is \$20,073. Under the Employer's 4½% proposal, the Correctional Officers would be paid \$20,976, a mere \$200.00, more. As the Union argues, certainly those who are charged with being responsible for secure incarceration, custody, care and well being for human prisoners have greater responsibilities than those who have those responsibilities of animals and should be paid at least, if not more, than those individuals. The Union points out the 1992 annual salary for Traffic Sign Maintainers, under the IAM Contract with the County, is \$27,814 which is \$2,367 more than the highest paid Deputy Sheriff under the current contract. Under the Employer's offer, the highest paid deputy would be \$26,642 and under the Union's offer, it would be \$27,088. Even under the Union offer, the Deputy Sheriff whose job includes an element risk or physical harm and who is responsible for human lives and protecting of persons and property is being paid less than Traffic Sign Maintainers who have none of that responsibility.

The evidence shows approximately 33% of the Sheriff's Department work force will, 5 years after their employment

fall behind the average of their counterparts in comparable counties and even with basic salary increases of 7% will barely keep of with the cost of living.

Based on our findings that even under longevity offers of both Employer and Union, the members of this Bargaining Unit will not be earning close to the averages of comparable counties, but will, under the Union offer, narrow the gap and the findings and conclusion heretofore set out, we believe the Union's offer on longevity should be adopted.

AWARD

As to the issue on longevity, the Panel adopts the final offer of the Union.

ISSUE NO. 3 - INSURANCE

This issue was stated as: "Whether any changes in premiums, coverage and/or benefits which the Employer may make to the employees' health insurance program will be subject to impact bargaining during the term of the agreement?"

The parties' final offer with respect to this issue was set out at the beginning of the Award. Essentially this issue involves the following:

Employer's offer: Article 15 of the current and expiring contract provision dealing with health, welfare and pension plans shall remain the same.

Union's offer: Such an amendment to Article 15 to provide that any changes in premiums, coverage and/or benefits shall be consistent with county-wide policies and practices and will be subject to impact bargaining during the term of this agreement.

FACTS

In St. Clair County, the Employer maintains the same health insurance program for all of its workers which include the employees in this unit as well as the employees who are in other Collective Bargaining Units and those who are not represented at all. The Employer, as part of its evidence, introduced its contract with the Highway Department, the Intergovernmental Grants Department, and the Animal Control Department. A review of these contracts shows that the Employer's proposal on health insurance benefits is almost identical to the language in each of the other contracts including that of the current expiring contract with this unit. It is the Union's position that Article 15 of the present contract gives the Employer the authority to change premium rates, to change benefit levels, and to change coverage on its own without bargaining. It is not trying to take away the Employer's flexibility to make those changes, but wants the right if those changes are to be made for the Union to bargain about the impact of those changes as they adversely affect the bargaining unit economically. The law provides it with the right to bargain, but the current contract waives that right. The Union admits that as of the time of the hearing that it couldn't say that premiums have

dramatically increased; that the insurance plan has been significantly changed because it hasn't; there is no real complaints from employees about the insurance. The rates the employees are paying are reasonable. "What we are concerned about - - the pressure, the polarization that comes from having to end up in a proceeding like this as a result of an impasse has made the Union and its members skeptical and made us a bit paranoid on the subject." The Arbitrator could adopt the Union's wage and longevity proposals and then the Employer could recoup whatever losses it had through changes in the insurance program. The current language leaves the Union vulnerable to unilateral action without bargaining. It is asking the right to bargain, nothing more and if an impasse occurs, it is to be resolved by the use of the agreed upon impasse procedures.

The Employer's evidence demonstrates that insurance medical benefits have increased each year between 1987 and 1992 both for the employees and their dependents without any increase in employee insurance costs.

INSURANCE PROVISIONS IN COMPARABLE COUNTY JURISDICTIONS

Sangamon County:

Benefit levels county-wide.

No specific modifications or reductions without impact bargaining.

Employer bought out independent costs with cash payments.

Champaign County:

Benefit levels county-wide.

No substantial reduction in benefits during the term of the contract.

Employer contributions - \$110 per month to insurance costs. If costs exceed \$110, contract reopened.

Peoria County:

Benefit levels county-wide.

No reduction in benefits from the 1986 level during the term of contract.

Premiums may increase after consultation with the Union.

Employer pays 80% of employee costs.

50% of dependent's costs.

Madison County:

Benefit levels county-wide.

Contains no provision with respect to reduction or change of benefits.

Employer pays: 100% of employee costs and 60% of dependents' costs.

Employee pays 40% of dependents' coverage. That cost shall not exceed \$103.60 per month for duration of the agreement.

THE UNION'S POSITION: When one considers that insurance premiums range from \$200 to \$400 per month depending upon the type and level coverage and benefits, annual costs that can be shared with the employee can range anywhere from \$2400 to \$4800. It must be remembered that these are the same employees have annual salaries ranging from \$20,073 to \$22,073 in Corrections and \$23,447 to \$25,447 in Control (1990 figures). Insurance costs (shared with employees) could easily "eat up" a couple percent or more in salary costs washing out increases for the Employer and wiping them out for the employee. Under the worst case scenario, these costs could constitute over 20% of the employee's gross annual wages. While the power to unilaterally change insurance benefits for premium costs is not an inherent management right, under the St. Clair County contract it is a right vested in the Employer.

The Union does not seek to limit that right with typical "no substantial reductions in benefits or increases in premiums during the term of the agreement" language that is prevalent in police and fire bargaining in Illinois. Rather, all that it seeks is the fundamental and legislatively mandated right to bargain over the impact of such changes. Only in St. Clair County is that right limited by the Employer's discretion to unilaterally change insurance benefits or premium costs without impact bargaining with the Union. The Union anticipates the Employer's argument on this issue will be based upon the theory of "breakthroughs". Somehow the Union is seeking a breakthrough in arbitration that could not be obtained in bargaining. While on the surface this argument may appear to have merit, such defense has been tried and failed in several other Illinois jurisdictions. Such defense overlooks the plain fact that impact bargaining is statutorily mandated by the provisions of Section 4 of the Act.

In its belief that the statute requires the Arbitrator to require impact bargaining with respect to the insurance issue, it argues that under Section 7 of the IPLRA, Employers have a duty to bargain collectively which includes the obligation to negotiate over matters with respect to wages, hours, and conditions of employment; that under Section 4 thereof, while Employers shall not be required to bargain over matters of inherent managerial policy, they shall be required to bargain collectively with regard to policy matters directly affecting wages, hours, terms and conditions of employment as well as the impact thereon upon request by the employee representative.

Drawing an analysis from what was said by Arbitrator Benn in the City of Springfield and Police Benevolent and Protective Association, Unit No. 5, S-MA-89-74, it argues the statute requires the insurance provisions of this contract include a provision requiring the Employer to bargain with the Union over any change in the current contract language.

THE EMPLOYER'S POSITION: The Employer maintains the same health insurance program for all County workers including this unit and all other Collective Bargaining Units who represent County employees. A review of those contracts shows that they contain almost identical language on health insurance benefits as is in the current contract. Maintaining current language will provide uniformity of

approach and coverage and cost to the Employer for all employees of St. Clair County. The Employer's evidence shows that there have been increases in medical benefits between 1987 and 1992, both for the employee and his dependents. To date, no increase has been passed on to the employees. The Employer has been able to manage the systems within its benefit structure so that the Employer may provide a reasonable plan to its employees at a reasonable and manageable cost.

It should be pointed out to the Arbitrator that any change in the health insurance article is clearly "breakthrough" language imposed by the Arbitrator. Such language, no matter how minor, has been discouraged by arbitrators across the board. The only exception to breakthrough language is where there is a clear and compelling reason to do so as evidenced in the circumstances presented to the Arbitrator. In this case there is no evidence of any "compelling reasons" to change the wording. In fact, the passage of time for the contract between the parties' exhibits shows just the opposite.

The contract, which is the subject of this arbitration, has been under re-negotiations since the end of 1990. This replacement contract is set for the end of 1992. During over 15 months of negotiations and getting to arbitration the Employer has suffered no adverse effects. The few months remaining before negotiations for a new contract begins, doesn't justify the taking of the Major Step of "breakthrough language". The Union admits there is no real complaint from the employees about the insurance and the rates that the employees are paying are reasonable. If no problem exists, the Employer asserts that there is no "compelling" reason to change the language and create breakthrough language for a contract which will undergo negotiation in a few short months after the decision of the Arbitrator is released.

DISCUSSION OF THE INSURANCE ISSUE

The Union wants to change the current insurance contract language in order to give it a right to be able to negotiate with the Employer should the Employer make any changes therein with respect to benefits, coverage or premium costs. It admits that it has not had any problems in these areas, but has a fear that if the Arbitration Panel awards its requested increase in wages,

the County will take retaliatory action to recoup the additional costs imposed by wage increases. In the Arbitration Panel's opinion, the evidence negates such fears. The Employer has an exemplary record, as the evidence shows, of having increased medical benefits dramatically since 1988 without increased cost to the employees.

Another reason negating the fear of retaliatory action is that there are at least three other Collective Bargaining Agreements with the County which contain almost identical current insurance language. To think that the County board would take the kind of action the Union fears alienating its other Unions and non-Union employees is highly unlikely and nonsensical.

The most serious contention of the Union in support of its sought-after change is that the Illinois Public Labor Relations Act mandates that where there are changes such as insurance benefit coverage or premiums they impact on Collective Bargaining matters of hours, terms and conditions of employment there be Collective Bargaining. Impact bargaining is statutorily mandated in this situation and in effect requires the Arbitrator to so provide.

It bases that position upon certain interest arbitration awards, three in number, namely: that of Arbitrator Edwin Benn in City of Springfield, Illinois and Policeman's Benevolent and Protective Association, Unit No. 5, S-MA89-74; Arbitrator George Larney, City of Markham, Illinois, S-MA-89-39; and that of Arbitrator Harvey Nathan, Will County Board and Sheriff of Will County, no citation being given. As the brief of the Employer indicates, the changes made in those cases by those arbitrators is referred to as "breakthrough" language.

While the various awards are not made available to this Panel of Arbitrators, what was involved in those arbitrations can be gleaned from the Union's brief. It appears that in the City of Springfield case, Arbitrator Benn was called upon to decide whether disciplinary disputes could be processed by the Police Group through their grievance procedure. The City argued that the existing contract already dealt with the subject, and even if the language of the Act mandated grievance arbitration for all dispute (including disciplinary), the employees has previously bargained away their statutory

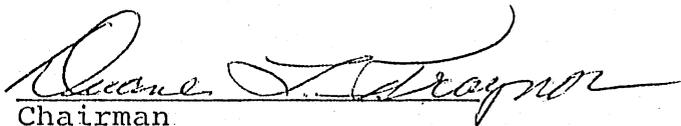
request for impact bargaining on insurance changes. It further finds that the Employer has increased benefits over the years without increasing costs to the employees. It also finds that it is in the best interest and welfare of the public and the financial ability of the County to maintain a uniform insurance program for all County employees including this unit. Finally, it finds that there has not been presented any evidence of a compelling reason by the County to grant an exception of the insurance language to provide for impact bargaining as to this one unit. The fact that comparable counties may have impact bargaining provisions for insurance changes does not have the same effect as comparables have on wages. This is especially true where there is no unanimity among the comparables, a situation existing in this case.

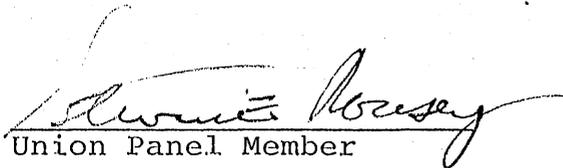
Therefore, based on the above comments and findings, it is the Panel's belief that it is in the best interest of the public to adopt Employer's final offer with respect to the insurance language of the contract.

AWARD

The Panel adopts the Employer's offer as to the Insurance Issue.

Dated this 27th day of May, 1992.

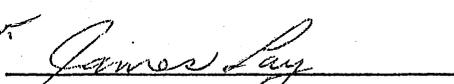

Chairman


Union Panel Member

Employer Panel Member

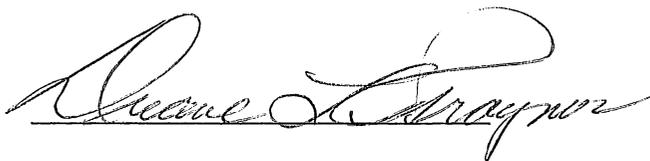
I dissent to that part of
the Award as to Issues

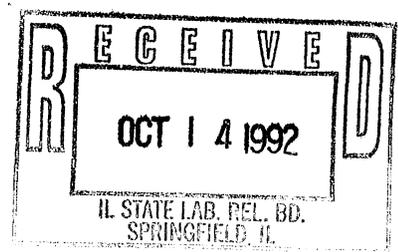
Longevity

Opinion to follow 
James Ray
Employer Panel Member

CERTIFICATE OF SERVICE

I, Chairman of the Arbitration Panel in the above entitled matter, hereby certify that on the 17th day June, 1992, I deposited a true copy of Award in the above entitled matter in a U.S. Post Office Box plainly addressed to Brian E. Reynolds, Executive Director, Illinois State Labor Relations Board, 320 West Washington Street, Springfield, IL 62701.

A handwritten signature in cursive script, appearing to read "Deane L. Gray", is written over a horizontal line.



ARBITRATION AWARD

* * * * *

In The Matter of Interest *
Arbitration Between *
County of St. Clair and *
St. Clair County Sheriff Dept.*
and *
Illinois Fraternal Order of *
Police Labor Council *

S-MA-91-047
SUPPLEMENT PROCEEDING

* * * * *

APPEARANCES

- FOR THE COUNTY - IVAN SCHRAEDER
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10 South Brentwood, #205
St. Louis, MO 63105
FOR THE LABOR COUNCIL - THOMAS SONNEBORN and
GARY BAILEY
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FOP Labor Council
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Arbitration Panel - DUANE L. TRAYNOR, Chairman
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Union Delegate - STEVE ROUSEY
Field Representative
FOP Labor Council
612 S. Russell
Champaign, IL 61821
County Delegate - THOMAS KNAPP
Administrative Assistant
St. Clair County Sheriff Dept.
700 N. Fifth
Belleville, IL 62221
TIME AND PLACE OF HEARING - July 31, 1992
Sheriff's Office
Fifth and F Street
Belleville, IL

COPY

FACTS

On May 27, 1992 an Award in the above entitled Interest Arbitration was issued. On the basis of a 2 to 1 panel concurrence, the Employer Panel Member dissented and filed a dissenting opinion. In compliance with the Illinois State Labor Relations Act the Employer, on June 30, 1992, advised the Arbitrator and the FOP that the St. Clair County Board, at its June 29, 1992 regular meeting, reviewed the Award and unanimously rejected two parts, namely, the wage determination provisions and the longevity provisions. In compliance with the Illinois State Labor Relations Act that within 20 days of the County Board's rejection file its reasons for rejecting the provisions, the Employer, on July 18, 1992, filed with the Chairman of the Arbitration Panel with copies to the FOP, its reasons for the rejection. By agreement of the parties a hearing on the supplemental proceedings was held on July 31, 1992. Post-hearing briefs, pursuant to agreement of the parties, were filed with the Chairman of the Arbitration Panel on August 27, 1992.

PRELIMINARY PROCEEDINGS

At the outset of the proceedings, the Employer moved to substitute Thomas Knapp, Administrative Assistant to the St. Clair Sheriff's Department, as a Panel Member in place of Capt. James Lay who had participated in the original proceedings due to the fact that an unforeseen set of circumstances had arisen so that he could not attend the hearing. Over the objection of the Labor Council to a substitution because it would make a difference in terms of how the proceeding is handled or a difference in the terms of the outcome or "just generally", the Chairman granted the motion. He didn't see that it could make any difference in the outcome of the supplemental proceedings.

The Employer then moved because its belief that the statute appears to make a supplemental proceedings separate and distinct proceeding from the initial proceedings that the record on this hearing include the record of the previous hearing be placed in evidence and accepted by the Panel; that the briefs of the parties in the initial proceeding and the Award be included in the record in these proceedings; plus two supplemental documents to

the Award, that being the letter of the Employer to the Arbitrator identifying that the Employer had rejected the original Award at least in part and the July 18, 1992 letter setting forth the reasons for the rejection be included in this hearing record. Over objections by the Labor Council that it was unnecessary to reintroduce those items, although they were relevant, as it believes the supplemental proceedings are the same process as the original proceedings except in a new phase and that it believed the Employer by the attempt to introduce these documents in this proceedings would have that somehow be interpreted as confirming that the supplements of these proceedings is a trial de novo, the Arbitration Panel stating that it was not passing upon how the proceedings should be handled, granted the motion.

The Employer representative then stated that in order to again deal with procedures ahead of time, he had two kinds of witnesses that he was going to call: One to deal with information related to the record as it stands during the pendency of the proceedings and the other type of witness testifying in terms of clarification of material that already appears in the record. The Council indicated that if the first kind of witnesses were going to testify to change in circumstances during pendency of the arbitration proceedings, the other witnesses were to clarify what the Employer believed is already information in the record as it relates to the Employer's objections, the Labor Council objected to the introduction of any such evidence on the basis that a decision in supplemental proceedings should be based upon the evidence presented in the initial proceedings.

Section 14 of the Illinois Labor Relations Act (48 IRS, page 1614) provides for supplemental proceedings on the rejection of the Award or parts thereof, it contains no provision as to how supplemental proceedings are to be conducted. The Illinois State Labor Relations Board Rules and Regulations promulgated under that Act, Section 1230.110(e) provides that the neutral Chairman shall call the Panel together and convene a supplemental interest arbitration hearing and then provides: "The supplemental hearing shall be conducted in accordance with Section 1230.90."

That Section dealing with the conduct of an interest arbitration hearing provides in substance a manner in which the neutral chairman shall call and preside over

the hearing; the technical rules of evidence shall not apply; the administration of oaths to witnesses; the subpoena powers of the arbitration panel; that hearings should be transcribed; that if the neutral chairman is of the opinion that it would be useful or beneficial to do so, may remand the dispute to the parties for further collective bargaining; that majority actions and rulings shall constitute the rulings of the arbitration panel; certain provisions with respect to the proceedings involving peace officers and firefighters... and then provides:

"o) The arbitration panel shall:

1) determine which issues are in dispute and which of those issues are economic issues and serve a copy of that determination on the parties; and

2) require the parties to submit their final offers of settlement on each economic issue in dispute;

3) The panel need not determine whether, with regard to protective service employees, equipment or manning issues involve serious safety risks beyond that which is inherent in the normal performance of the employees' duties at this stage of the proceeding.

4) The panel may allow the parties reasonable additional time, as determined by the number and the complexity of the issues, for presenting written or oral arguments in support of their positions. The hearing shall be considered concluded when final offers are submitted or when written or oral arguments are presented, whichever is later."

Section 14 of the Illinois Labor Relations Act and the Board's Rules and Regulations, Section 1230.100, deal with the arbitration award and the enumerated factors the panel should consider with respect to each economic issue and shall adopt the final offer of one of the parties based on those factors.

While the regulations only provide for the hearing to be conducted in accordance with regulation 90, the

Employer believes that the Supplemental Award is to be based on the factors in regulation 100, particularly No. 7 thereof, "changes in any of the foregoing circumstances during dependency of the arbitration proceedings. There is nothing in Section 90 which would suggest that position other than (o)(2) providing:

"require the parties to submit their final offers of settlement on each economic issue in dispute".

In this case, neither party suggested or presented any changes in their final offers from that of the initial hearing.*

Arguments were made by the parties for and against permitting the introduction of new evidence, particularly that relating to change of circumstances during the arbitration proceedings which, in the Employer's view, encompassed the supplemental proceedings.

Admitted into evidence in addition to the Brigg's Supplemental Decision was one by Arbitrator Anthony V. Sinicropi in supplemental proceedings between Peoria County and Council 31 of the American Federation of State, County and Municipal Employees issued February 11, 1986, issued

*Arbitrator Steven Briggs in a supplemental decision in Village of Westchester and Illinois FOP Labor Council, Lodge 21, ISLRB #S-MA-90-167, addressing a Village contention that it could in a supplemental proceedings make a new offer, rejected such contention stating, among other reasons: "The Illinois State Legislature had as its general intent in drafting the Act the resolution of municipal interest disputes through arbitration. With regard to peace officers, interest arbitration is a substitute for the strike. Adoption of the Village's position would not contribute to "resolution" of such disputes, nor would it allow interest arbitration to be expeditious; rather, it would give the Village an unfettered opportunity to prolong the interest arbitration process ad infinitum until the point where the award it received through supplemental proceedings fit its own idea of how the dispute should be resolved. Given the general purpose of the Act, such an interpretation of Section 14(o) could not possibly be the correct one." (Union Supplemental Exhibit No. 4)

shortly after the enactment of the Illinois State Labor Relations Act. He dealt with the question of admission of new evidence in supplemental proceedings holding as follows:

"While there is no legal or arbitral precedent and little relevant material in the legislative history which provides guidance on the nature of a 'supplemental proceeding' under the statute, this much is clear: the initial award must be entitled to 'great weight' and should not be changed in a second proceeding absent 'extraordinary hardship' or evidence that a significant error was made by the Arbitrator in his first award. The policy reasons for this position are as follows:

1. The Illinois statute requires that the arbitration panel hold a hearing at which both parties are afforded an opportunity to produce evidence in support of their respective positions. Moreover, the Arbitrator is required to issue a written decision and opinion based on statutorily-prescribed criteria. If the first award is rejected, reasons must be provided in support of the rejection. Absent a showing of significant hardship or manifest error (or other extraordinary circumstances), to allow a party to assert completely new positions or additional arguments on issues raised in the first proceeding will effectively make the first arbitration comparable to an advisory fact finding. As noted by the Union, the only logical conclusion to be reached is that the Employer must come forward with some solid reasons establishing that a significant or manifest error was made by the arbitration panel in its initial decision. If the Employer cannot do so, the initial decision should be left untouched. In short, the initial award, while perhaps not completely final and binding under all circumstances (such as in a 'rights' arbitration), is entitled to great weight. *

* *

It clearly could not have been the contemplation of the Illinois legislature that each and every employer would be allowed to go back to the

arbitration panel and seek, in effect, to 'cut a better deal'. The arbitration panel would be placed in the position of being asked to compromise its own position. At the worse, this system of 'supplemental proceedings' would become a procedure in which the employer and the arbitration panel would 'bargain' over various matters while the union would stand by as a frustrated bystander. * * *

If a final offer is not final--as the Employer alleges--then the theory upon which the Final Offer Arbitration concept is founded is not operative. Moreover, due to the fact that the statute allows only the Employer to request a second hearing, it is more logical to conclude that such a right given to only one side must be available only if unusual circumstances such as a manifest error or an unusual hardship upon the Employer heretofore unknown has arisen.

Again, this is not to assert that the Arbitrator must 'stick with the initial decision'. Moreover, as the parties know, there is no requirement that the supplemental award must be the same as the original award. My reading of the statute is that the Employer, seeking to overturn the first award, must come forward with significant reasons that the award was either procured as a result of some manifest error, or the award, if implemented, will cause extreme hardship. The Employer's burden must be greater in the second proceeding. In this regard, 'new' evidence may be received only if offered in support of the 'manifest error' or 'undue hardship' argument."

Based upon what was said by both Sinicropi and Briggs and concurring in their holdings, the Panel ruled that no evidence of changed conditions would be admitted in the supplemental hearing. Additionally the Chairman notes

that since in this case there were no final offers it would appear this supplemental hearing is governed solely by the provisions of Section 1230.90 of the Regulations. With no new final offer being presented, and the Chairman is not suggesting or holding that they can be presented in supplemental hearings, there is no rational by which it can be concluded that the eight factors of Section 14 of the Act have any application in supplemental proceedings. Such conclusion eliminates any contention that factor 7 "changes in any of the foregoing circumstance during the pendency of the arbitration proceedings" has application to these supplemental proceedings, further justifying the Panel's holding. **

The Arbitration Panel, in order to preserve the record, permitted the Employer to make an offer of proof of changed circumstances. This proof consisted of the following:

At the time of the initial proceedings, funds for the Scott Air Force project were in the process of negotiations and the Employer was not able to put a final product into evidence. Subsequent to the completion of the original arbitration, the Scott Air Force Base project was completed as it related to funding. The Employer's Exhibit AAAA is as follows:

**The Illinois State Labor Relations Board has not issued any regulations concerning the actual conducting of the supplemental hearings other than heretofore mentioned and, in fact, as appears in the Westchester Village Hall Award, Arbitrator Briggs, with the consent of both parties, sought an opinion of the General Counsel of the Illinois State Labor Relations Board on the issue of whether supplemental proceedings under the Act are intended to be de novo. He stated in the Award: "Pursuant to that authority, the Arbitrator learned in a December 3, 1991 telephone conversation with General Counsel, Jacalyn Zimmerman, that the Board did not wish to go on record with a formal position on the issue at this time". (December 1991)

SCOTT JOINT - USE AIRPORT
 FINANCING PLAN/APPROPRIATIONS
 May 15, 1992

COSTS BY FEDERAL FISCAL YEAR (\$ MIL)

	91	92	93	94	95	96	97	98	99	00	01	02	TOTAL
INTEREST ON SHORT TERM FINANCING	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
STATE FUNDS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
COUNTY FUNDS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FEDERAL FUNDS FOR CAPITAL PROJECTS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FEDERAL FUNDS FOR OPERATIONS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PRIVILEGE FEES	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
OPERATIONAL COSTS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
STAFF COSTS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
INTEREST ON SHORT TERM FINANCING	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TERMINAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL COSTS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

FUNDING SOURCE BY FEDERAL FISCAL YEAR (\$ MIL)

	91	92	93	94	95	96	97	98	99	00	01	02	TOTAL
FEDERAL FUNDS FOR CAPITAL PROJECTS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FEDERAL FUNDS FOR OPERATIONS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PRIVILEGE FEES	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
OPERATIONAL COSTS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
STAFF COSTS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
INTEREST ON SHORT TERM FINANCING	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TERMINAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL FUNDS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Notes:

1. Interest on short term financing - 6%. Required to prefinance FAA LOI \$ from out years. Debt retired by 2002.
2. Authorization in FY93 with appropriations in FY93, 94, and 95.
3. Amounts of State/County funds appropriated annually may vary with the scheduling of eligible items.



The figures are in millions of dollars. The figures at the top of the columns 91, 92, etc. represent fiscal years beginning October 1 through September 30.

Daniel Maher, Director of Administration for St. Clair County, testified at the initial hearing that Thirteen Million Dollars was indicated as the amount of money the County would expend in 1992. He stated the County was responsible for covering the cash flow on the projects. It pays for it first and then gets a reimbursement from the State and Federal government. As a result, the County has to over-budget and even though its contractual amount for 1992 is Four and a Half Million Dollars, the County can easily spend Thirteen or Fourteen Million Dollars in order to cover the cash flow. The total expenditure on the project is Thirty Million Dollars. All of the money expended to the date of the hearing comes from the General Fund and it is transferred from the General Fund to the project. All County money spent on this project in 1991 and 1992 come from the General Fund only. There will probably be transfers from other funds into the General Fund in order to make these expenditures in 1995 and 1996, but probably not in 1991 or 1992. The County budgeted Thirteen Million Dollars to spend on the

project in 1992 and probably has spent its full Four and a Half Million obligation in 1992. Any unspent budgeted money carries forward. Because the County has to spend the money up front, its expenditures wouldn't be limited in 1992 to Four and a Half Million, but would probably come to Seven to Nine Million Dollars. Federal funds for this project are spread out until the year 2002. As appears from the chart, the County funds of direct input ends at least as to the development of the project in FY 95, but when the Federal funds are late, the County still has to advance monies out of the General Revenue to pay on the project as it's the contractor. The chart showing FAA Funds for the airport for 1992 should read 6.9 million. The airport is to be completed in 1997, but the FAA is going to give the County money in reimbursement over a longer period of time than it takes to build the airport. Somewhere in that interim period someone is going to have to carry back the financing. The County assumes at this point it will be the County. An example of carrying back the finances is that in 1998, 1999, 2001 and 2002 on the chart is all financing by FAA that will be coming at a later date after all monies have been expended for the airport. Thus, the County has to put money up front and get it back from FAA over a four to five year period after the airport is built. With respect to short term financing, the County will put the money up and finance the project and the Federal government will then repay the County over a period of years. This financing should be some Sixty to Seventy Million Dollars. Under the County's agreement with the State of Illinois, in order to realize their Sixty Million Dollars in bonding and currently under letter of intent from FAA, the County has to commit over Thirty Million Dollars as well as the Sixty-five Million Dollars from the Federal government which will have to be committed to before the FAA will release the 150-450 Million Dollars. The County has already issued Ten Million Dollars in bonds and at this point doesn't know how much more will be required, but more than likely it will have to issue additional bonds. Ten Million Dollars in bonds that were issued are reflected in the exhibit in terms of the County funds expended in the year 1993, that is 9.7 Million Dollars. That Ten Million Dollars will be obligated against the 9.7 Million Dollars in expenditures per the contract, but it won't cover the cashflow. The County has issued two separate bonds. One is a Ten Million Dollar bond for the airport and the other is a Million and a Half Dollars for the jail addition. These are specifically identified for those purposes within the bond document.

The monies that are behind the bond documents and the revenue generated for the payment of the revenue bonds are from the lease of the Public Building Commission which is a levy that doesn't go into the General Revenue Account, but into a special levy account.

There was identified and admitted into evidence as Employer's Exhibit No. CCCC the following enactment by the State Legislature:

22	(Ch. 85, par. 611a)	2042
23	Sec. 1a. Income Tax Surcharge Local Government	2044
24	Distributive Fund. Beginning July 1, 1991, and continuing	2045
25	through January 31, 1993 June--07--1992, of the amounts	2046
26	collected pursuant to subsections (a) and (b) of Section 201	2047
27	of the Illinois Income Tax Act, minus deposits into the	
28	Income Tax Refund Fund, the Department shall deposit 3.0%	2048
29	into the Income Tax Surcharge Local Government Distributive	2049
30	Fund in the State Treasury. Beginning February 1, 1992 July	2050
31	1-1992 and continuing through June 30, 1993, of the amounts	2051
32	collected pursuant to subsections (a) and (b) of Section 201	2052
33	of the Illinois Income Tax Act, minus deposits into the	2053
1	Income Tax Refund Fund, the Department shall deposit 4.4%	2053
2	into the Income Tax Surcharge Local Government Distributive	2054
3	Fund in the State Treasury. Beginning July 1, 1993 and	2055
4	continuing until a total of \$40,000,000 has been deposited,	2056
5	of the amounts collected pursuant to subsections (a) and (b)	2057
6	of Section 201 of the Illinois Income Tax Act, minus deposits	
7	into the Income Tax Refund Fund, the Department shall deposit	2058
8	4.4% into the Income Tax Surcharge Local Government	2059
9	Distributive Fund in the State Treasury.	
10	(Source: P.A. 86-10; 87-17.)	2061



2

Daniel Maher testified that one of the sources of revenue available to the County was the State Income Tax which had a formula for a distributive share to local governments. That formula indicated, based on previous years' commitment from the State Legislature and the Governor, that a percentage of the State Income Tax would switch during the State's Fiscal Year beginning July 1. During the legislative process the Governor instituted a proposal which would wipe out State Income Tax surcharge. This proposal was that all that money would revert back to the State. His proposal was that the formula that exists, which was going to expire in 1993, was to remain as it was originally committed to remain. It was going to go through "50% through 75%, the State's portion being refused as we understand it from looking at this". (Exhibit CCCC) He was not sure what the ramifications were, but apparently the State will continue to honor the agreement in terms of percentage, but it will escrow the money somehow and the State funds are not appropriated and effectively deny County access to the fund for at least the remainder of this year (1992). Prior to this time, the surcharge was a distribution of money throughout the County's Fiscal Year. As he read the statute, the County was not going to get those distributions and was told that the State wouldn't appropriate it. "We can expect it in 1993, but some people question whether that will happen." As a rough estimate, he estimated that the County would lose from \$200,000 to \$300,000. The County has not received any money this year and he thought it was pretty clear that the County wouldn't receive it until the next Fiscal Year. It is the Employer's position that this legislative enactment puts off the payment of these funds until January, which is after the Fiscal Year. There was an attempt to make the surcharge permanent, but that was rejected and there will be no permanent surcharge in 1993 unless the legislature changes that also.

In terms of the appropriation ordinance that was in evidence in the initial hearing and the County's projected revenues for the 1992 Fiscal Year, the County had projected that they would get some of that money which they also tried to project their cash flow on. The County is therefore now looking at a \$100,000 to \$150,000 shortfall from this one tax. Because of the state of the economy, the State Income Tax is being hit a little harder so that would affect their monies, not even taking into account the change in the surcharge formula. Income

Tax refunds are probably down at this point so he predicted it would probably come to somewhere around a \$164,000.

On cross examination, he testified that the County's actual receipts here to date are pretty much on target. This law will only be reflected in a reduction this year with it being made up in 1993. He is projecting the monies the County anticipated actually receiving for the remainder of 1992 may not be received until 1993. Under the legislation, beginning February 1, 1993, a percentage of Income Tax going to the County will go up from 50% to 75%, supposedly July 1. His assumption is that the money the County should be accumulating now should be accumulated in the State. In his opinion, that is questionable as to whether that is going to happen. The formula definitely changes January 1 benefiting the County with the County's "piece of the pie" increasing at that point in time. The last date that the County received a payment from the State on the surcharge would be in July. While the payments have continued to date, the County puts the State Income Tax and surcharge in the same line. It received \$10,655.39 which included State Income Tax and surcharge combined. Last year in July, this figure was \$721,383.00 which could easily be a reflection of the State delaying their payments. The amount the County receives varies from month to month, but it is continuing to receive payments.

Mel Weith, Executive Deputy of the Sheriff's Department and in that position has the responsibility for the budget, testified that after receiving a copy of the Award for the initial proceedings in this matter, he calculated the cost of the Award credited to the Sheriff's budget. He identified Employer's Exhibit BBBB as that calculation. This exhibit entered into evidence as an offer of proof is as follows:

St. Clair County budgeted \$2,030,713.00 for the 1991 salaries for the 41 patrol deputies and 48 correction officers in the bargaining unit. This included the Labor Contingencies carry-over of \$101,332.00.

The award by the arbitrator would change that total salary figure to \$2,059,569.17. This would be an additional \$28,856.17 that was not budgeted for the department.

St. Clair County budgeted \$2,244,062.00 for the 1992 salaries for the 41 patrol deputies and 54 correction officers in the bargaining unit.

The award by the arbitrator would change that total salary figure to \$2,297,817.58. This would be an additional \$53,755.58 that was not budgeted for the department.

This is a shortage of \$82,611.75 on just the salary total. The additional longevity expenses is calculated at \$15,449.91, bringing the final increase to \$98,061.66.

As budgeted, 2 C.O.s and 2 Deputies is the same as \$95,500 of salary on an annual basis.

To correct this for the last four months of 1992 would mean the release of 6 COs and 6 Deputies

When you go to the last three months of the year, would mean the release of 6 COs and 8 Deputies

EMPLOYEE	(F.O.P. ONLY)			LONG. PAY DIFFERENCE
	1992 SALARY	1992 LONG. PAY	1991 LONG. PAY	
STALEY, DONALD C.	26,342.48	\$ 3,463.53	\$2,100.00	\$ 1,363.53
GEBKE, VERNELL B.	26,342.48	\$ 3,463.53	\$2,100.00	\$ 1,363.53
GHAVOT, DAVID J.	26,342.48	\$ 3,463.53	\$2,100.00	\$ 1,363.53
JEREMIAS, WILLIAM L.	26,342.48	\$ 3,463.53	\$2,000.00	\$ 1,463.53
SHITH, WILLIE C.	26,342.48	\$ 3,068.39	\$1,800.00	\$ 1,268.39
JOSEPH, KENNETH R.	26,342.48	\$ 3,068.39	\$1,800.00	\$ 1,268.39
SIMS, SHERYL D.	22,551.77	\$ 2,191.38	\$1,500.00	\$ 691.38
SCHERPE, DON L.	26,342.48	\$ 2,278.12	\$1,400.00	\$ 878.12
DAVIS, BENJAMIN F.	22,551.77	\$ 1,683.97	\$1,200.00	\$ 483.97
HANN, MICHAEL L.	26,342.48	\$ 1,882.98	\$1,200.00	\$ 682.98
KIFFER, VINCENT J.	26,342.48	\$ 1,882.98	\$1,200.00	\$ 682.98
ROBINSON, RICHARD O.	26,342.48	\$ 1,882.98	\$1,200.00	\$ 682.98
KLUCKER, KEITH A.	26,342.48	\$ 1,487.84	\$1,000.00	\$ 487.84
THORNTON, DAVID E.	26,342.48	\$ 1,092.71	\$ 800.00	\$ 292.71
FLOYD, DARRELL L.	26,342.48	\$ 1,092.71	\$ 800.00	\$ 292.71
MILKER, NORMAN R.	22,551.77	\$ 1,007.41	\$ 800.00	\$ 207.41
OWENS, RALPH H.	26,342.48	\$ 1,092.71	\$ 800.00	\$ 292.71
COLE, BRENDA J.	22,551.77	\$ 1,007.41	\$ 800.00	\$ 207.41
BIRNION CHARLES R.	26,342.48	\$ 895.14	\$ 700.00	\$ 195.14
SAUGET, DALE A.	26,342.48	\$ 895.14	\$ 700.00	\$ 195.14
BERTELSMAN, JANET L.	26,342.48	\$ 895.14	\$ 700.00	\$ 195.14
KAFFER, JOHN R.	26,342.48	\$ 895.14	\$ 700.00	\$ 195.14
CLARK, DAVID M.	26,342.48	\$ 697.57	\$ 600.00	\$ 97.57
SUTHERLIN, NANCY H.	22,551.77	\$ 669.14	\$ 600.00	\$ 69.14
JOHNSTON, RANDALL B.	22,551.77	\$ 669.14	\$ 600.00	\$ 69.14
HOUHE, LEE C.	26,342.48	\$ 697.57	\$ 600.00	\$ 97.57
AUSTELL, LARRY C.	26,342.48	\$ 697.57	\$ 600.00	\$ 97.57
ADAMS, KEVIN R.	26,342.48	\$ 697.57	\$ 600.00	\$ 97.57
LAUKO, EDWARD D.	26,342.48	\$ 697.57	\$ 600.00	\$ 97.57
BAKER, MARY S.	22,551.77	\$ 669.14	\$ 600.00	\$ 69.14
HUX, GREGORY A.	26,342.48	\$ 500.00	\$ 500.00	\$ 0.00
FOURNIE, ANNOLD A.	26,342.48	\$ 500.00	\$ 500.00	\$ 0.00
DEAR, MARY A.	22,551.77	\$ 500.00	\$ 500.00	\$ 0.00
CULLEN, ROY E.	22,551.77	\$ 500.00	\$ 500.00	\$ 0.00
DAVIS, SHERRY L.	22,551.77	\$ 500.00	\$ 500.00	\$ 0.00
RAY, DONALD	22,551.77	\$ 500.00	\$ 500.00	\$ 0.00
SPENCER, SANDRESS	22,551.77	\$ 500.00	\$ 500.00	\$ 0.00
WINNINGHAM, BRIAN D.	22,551.77	\$ 500.00	\$ 500.00	\$ 0.00
HAS, GLENN O.	26,342.48	\$ 500.00	\$ 500.00	\$ 0.00
SUB 39 Officers		\$ 52,149.91	\$36,700.00	\$ 15,449.91

Counsel for the Employer in explaining the purpose of this exhibit was "the first paragraph is in the budget already. That is current evidence. Paragraph 2 is the change in circumstances. Paragraph 3 is in the budget. Paragraph 4 is the change and Paragraph 5 is the change. The bottom section is impact. The two pages that are attached to the document, Quad B, are the supporting data for one of the calculations."

Pages 2 and 3 of this exhibit are not only the supporting data, but an attempt to clear up the problem in the last hearing making sure "we got the same employees' references, so that if the numbers show up wrong, we are to correct it in the record in terms of the bodies we are relating to". The Employer's exhibits, being the Budgets for 1991 and 1992, showed only 40 deputies, rather than the 41 shown on Exhibit Quad B. Uncounted was a Landfill Enforcement Officer who is a member of the Bargaining Unit.

The foregoing testimony and exhibits constituted the offer of proof. Since the Panel ruling was that changes in circumstances occurring subsequent to the initial arbitration Award were not admissible in the supplemental hearing, they are not being considered by the Panel as significant reasons that the Award was either procured as a result of some manifest error or the Award, if implemented, will cause extreme hardship.

DISCUSSION OF SUBSTANTIVE ISSUES

In the initial proceeding held January 30, 1992, the parties were negotiating for a two-year contract becoming effective January 1, 1991 and ending December 31, 1992. The Employer's final offer with respect to wages was a 4.5% increase retroactively effective to January 1, 1991 and a 4% increase effective retroactively January 1, 1992. The Union's final offer for those periods was 7% and 5% respectively.

With respect to the longevity issue, the Employer's final offer in substance was that after the completion of five years of continuance, \$535 would be paid during the sixth year of continuous service and thereafter \$107 would be added to the initial \$535 for each additional continuous year of completed service thereafter, the adjustments to be made effective January 1, 1991. The

Union's final offer was effective January 1, 1992. All Bargaining Unit employees would receive longevity pay after the completion of the fifth year of service in the amount of \$500 to be added to the base salary. After the completion of each year of service thereafter through the completion of 20 years of service, an additional 3/4% increase in the base salary would be added as longevity pay for each year.

The Arbitration Panel selected the Union's final offer as to these two issues. The Employer filed written reasons for the rejection of the wage and longevity determinations.

In its reasons for rejection of both issues, the Employer raised legal issues such as the County Board's being prohibited by statutes from being unable to comply with the Award, the constitutionality of Illinois Labor Relations Act in part as an improper delegation of authority; the failure to provide adequate standards to guide persons responsible for implementation of the Act and the Award violating the States Mandate Act, Ch. 85, para. 2201 I.R.S. In its brief, the Employer continually throughout raised these objections to the Award and the Panel's holdings. These matters might well require a modification of the Award both as to wages and longevity. It was the Panel's position as herein after discussed that a determination of those contentions were matters to be decided by Courts, not an Arbitration Panel who mandate under the Labor Relations Act was to render an Award based on evidence presented to it, applying the eight factors of Section 14(h) and not to attempt to interpret the law.

STANDARD OF PROOF

As Arbitrator Sinicropi indicated in the Peoria County Award, the initial Award is entitled to great weight and the only way for the statutory system to function as an effective dispute-resolution system is to place a heavy burden on the Employer in the supplemental arbitration. The Chairman agrees with that observation. It is his opinion that while the governing body complies with the Regulation Section by listing its reason for its rejection of the Award, at the supplementary hearing, it is not the Panel's duty or obligation to search the record to determine the validity or invalidity of those reasons.

The burden is on the Employer through evidence and/or briefs to indicate what evidence in the record of the initial hearing contradicts the Panel's findings and conclusions or shows why and how the Panel erred in applying and interpreting that evidence. A corollary is that the Employer must pinpoint that evidence which shows that the Award causes the Employer extreme hardship. In other words, demonstrate that hardship. Absent such demonstrations, the Employer fails to carry its burden and the Award will be affirmed.

WAGES

The Employer offered little evidence in support of its reasons for rejection, relying primarily on the stated reasons and argument in the post-hearing brief. What little testimony was offered will be referred in the hereinafter discussion as to whether the reasons for the rejection shows a significant hardship or manifest error requiring a modification of the Award.

1. The Employer contends that the Arbitration Panel failed to review and relate to each of the required arbitration criteria set out in Illinois Revised Statutes, c. 48, par. 1614(h) and 80 Ill. Adm. Code Sec. 1230.100(b). The Employer quotes New Jersey and New York State Court decisions as to the effect that failure to apply the eight standards are factors as to each issues will cause the Award to be overturned. The Panel believes that the Employer misapprehends the effect of paragraph 1614, sub-paragraph (h), which lists the factors to be considered which specifically states:

"The Arbitration Panel shall base its findings, opinions and order upon the following factors, as applicable."

Sub-paragraph (g) of paragraph 1614 provides that the Arbitration Panel shall make an Award stating:

"The findings, opinions and order as to all issues shall be based upon applicable factors prescribed in sub-section (h)."

This language negates any claim that all eight standards must be applied to each issue in rendering an Award.

In its reasons for rejection of part of the Award and in its post-hearing brief, the Employer next refers

to the need for the Arbitration Panel to consider each of the eight factors testified in Section 14(h) of the Illinois Labor Relations Act in arriving at its decision. A reading of the statute shows a legislative intent in testing those factors that some of them are essential before any decision can be reached. These are factors (1) Lawful authority of the Employer and factor (3), the interest and welfare of the public and the financial ability of the unit of government to reach these costs. The rest are to be considered and weighed by the Arbitration Panel in arriving at its decision. Like all things weighed, they are not necessarily equal and one or more can tip the scale in favor of a certain conclusion or decision. A review of the Award shows that the Panel gave consideration to those factors which were applicable to the issues decided and weighed them as the evidence indicates. This reason for rejection of the Award is therefore without merit.

2. The second reason for rejection was that the Panel failed to make findings related to the Employer's lawful authority when, in discussing first applicable factor dealing with the lawful authority of the Employer, it erred in stating:

"The County concedes that it has the lawful authority to resolve the issues."

The parties, at the beginning of the initial hearing, stipulated that the Arbitration Panel had jurisdiction of the subject matter and the parties. The Panel believes that the factor with respect to lawful authority has reference to the parties' authority to enter into binding collective bargaining agreements. By entering into the foregoing stipulation, the Employer acknowledged that it has that lawful authority.

The Employer in support of its reason equates lawful authority as those things permitted it by law and limiting it from doing something prohibited it by law. Its position is under Illinois law the fiscal directives, limitations and restraints on County government are not flexible. No contract can be made by the County unless and appropriation has been previously made. It argues the facts in this case clearly show that the appropriation is not adequate to pay either the FOP wage proposal or the FOP longevity proposal. When the statutory scheme is added to the constitutional limits, no other conclusion

can be made than that the wage and longevity awards which predate FY 92 and which exceed the annual appropriation are illegal and cannot stand. It cited the Illinois 1970 Constitution, Article 8, Section 1 which prohibits payment of monies by County government without specific authorization by law or ordinance and AFSCME v. Netsch, 575 N.E.2d 945 (4th Dist. 1991), and Ill.Rev.Stat., ch. 34, par. 6-1001, 6-1003 and 6-1005. The Employer cites Minnesota Education Association v. State of Minnesota, 242 N.W.2d 915, upholding the Minnesota Collective Bargaining Law under which the State Legislature must approve all decisions for State workers before they are effective. The Court held that the reservation was made to insure that the financial portions of the labor contract are "consistent with a legislative belief that the duty to determine the size of appropriations could not be delegated away". It argues that the Illinois Interest Arbitration scheme by reserving the veto provisions to public employers intends for the local legislature (governing body) to continue to determine the size of appropriations which cannot be delegated away. Therefore, the Arbitration Panel, at best, only has authority to grant raises within the limits of existing appropriations, assuming the fiscal year is still open.

At instant arbitration hearing, as appears from pages 64 through 85 of the transcript, there was testimony and discussion with respect to this subject matter with the County trying to justify its contention that the Arbitration Panel couldn't make an Award of monies which the County couldn't comply with because of legal restrictions. From the testimony, no satisfactory conclusion can be reached as to whether or not the County could in some fashion appropriate money to pay the Award.

Under the Illinois Labor Relations Act, the Arbitration Panel is to render an Award based upon final offers of the parties. We have done so in this case. It is not the function of Arbitration Panel to consider or interpret the legal consequences of that Award. This is a function of Courts. The Employer disagrees with our interpretation of what the words "lawful authority of the Employer" means when designated as a factor to be considered in making a choice between two final offers. If the Employer's position with respect to this factor is correct, it would emasculate the intent and purpose of the Interest Arbitration Statute. In all those cases where the arbitration hearing is held after the governing

body has passed its budget ordinances, if this contention was adopted, the Employer would then control the entire proceedings and the arbitration hearing would be a useless exercise.

With the Employer stipulating to the Arbitration Panel's jurisdiction acknowledging the Panel's lawful authority to render an Award, the Employer's above reason for rejecting the Award, reasons we believe cannot be considered by the Panel, show the Arbitration Panel's Award would cause a significant hardship or was in manifest error in rendering the Award.

3. The Employer urges as a reason for rejection of the Award, the Panel erred in finding that there were no changes in any of the prior six factors to be considered by the Panel as it ignored the fact that more than 18 months had passed since the institution of the first arbitration process under Section 14 of the Act, two fiscal years had begun with one ending. The authorization to spend had expired for at least one fiscal year. The Employer offered much documentary evidence to show that its fiscal program priorities policy considerations had changed and several employment related costs had also changed. We have already addressed legal requirements such as the ending of one fiscal year's authorization to spend as a legal objection and as one not countenanced by the Illinois Labor Relations Act. We cannot, without stated facts and figures, consider the unsupported statement that the Employer offered much documentary evidence to show that its fiscal and program priorities and policy considerations had changed or that several employment related costs had also changed. It was incumbent upon the Employer to make this showing rather than the Panel attempting to dig out the information. Consideration was to be given to the alleged fact that the Panel found there was no evidence on the record relating to "no change". Absent such showing on the part of the Employer, allegations cannot be considered as showing a significant hardship or manifest error. In addition, we have determined and ruled that changes subsequent to the initial hearing are not to be considered.

4. "The Arbitration Panel review the allocation of County money to Scott Air Force project. In the initial Award it incorrectly discounted the effect of the project on the Employer's general revenue. The Panel found no effect on Employer's fiscal ability or its limit of expenditures." This boldface statement, without facts

and figures showing error, doesn't meet the Employer's burden. Without such showing, the Panel cannot consider it a reason for modification of the Award as it doesn't show any significant hardship or manifest error. The Employer sought to rely upon changes in the Scott Air Force project subsequent to the initial hearing which, under our ruling, could not be considered.

5. "As to the element related to the 'interest and welfare of the public and financial ability of the unit of government to meet those costs', it is clear that the Arbitration Panel is in error". The Panel in its initial Award made a determination that the Employer had the financial ability to meet the increased cost of the Union's offer. The unsupported allegation doesn't meet its burden to show error.

It is further alleged that the Panel found that the interest and welfare of the public are served by "the maintenance of a well-trained police force who can respond . . . and therefore needs to be adequately compensated to insure continuity of employment . . . and therefore needs stability and personnel which stability can only be obtained through proper remuneration". The Employer admits that while all of that statement is argueably true, the record is completely devoid of any evidence to suggest that the current workforce of both Deputies and Correctional Officers is unstable or not continuing. The Panel admits that there is no evidence to sustain that position. Like the Employer's admission, the Panel felt it could take judicial notice of such fact. Even if it erred in that statement, it doesn't show a significant hardship or manifest error which would require a revision of the Award when viewed in its totality.

6. "The Arbitration Panel erred when it determined that a 7% amount was available for one year and the 5% amount for year two from Arbitration Award references as to appropriation alone. The Employer argues that whether the "minimum operating balance is or is not a limiting factor on salary increases is not a decision for the Arbitration Panel to make as is suggested on Page 9 of the Award. Rather, prioritizing of policy and programs is, by constitution and statute, limited to the County Board. Thus, no Arbitration Panel can relocate or force greater appropriation than those that are already made. As to FY 91, the year is over and the carrying over was more than was needed for the Employer's proposal,

but less than required by the Union's proposal in a sizeable amount. Under AFSCME v. Netch, supra, interpretation of the constitutional limits, the FOP's proposal cannot stand." We have already commented that this is a legal matter for the Courts and doesn't invalidate the Award issued in conformance with the Illinois State Labor Relations Act.

7. "Panel admits that Employer raised a large economic projects as a priority and a budget emphasis. It is a matter of priority as set by the Employer and not one for which the Arbitration Panel may substitute its judgement. Public policy in Illinois dictates that local government set its own priorities." The Award does not set the Employer's priorities. Its effect, however, is that the County Board must find a way to pay the increases given the fact that it has the means to do so. Prioritizing is still left to the Employer. The Panel finds nothing in these allegations which demonstrate either error or hardship.

8. The Arbitration Panel accepted four counties as recommended by the parties as comparable for review of the employees' wage levels. However, the comparisons adopted by the Arbitration Panel and the application to Employer is where the Arbitration Panel erred." The Employer argues that the adoption of the Union's 7% increase retroactively in effect provided a 7% increase in one year thus creating a substantial benefit neither bargained for or anywhere near the amount argueably lost between January 1990 and December 1991, a two-year period, as shown by the CPI. The Employer seemingly feels that since its wage offer of 4½% and 4% exceeds the CPI evidence that the employee suffered a loss of 7.61% in buying power in those two years, it was error to award the 7% increase in one year. Such argument fails to take into consideration the complete discussion on the wage issue appearing in the Award particularly the evidence on wages paid in comparable jurisdictions. This evidence doesn't meet significant hardship or manifest error test.

9. "The Arbitration Panel erred when on Page 13 of the Award it determined that inclusions of non-bargained for legislative benefits should not be considered when assessing Collective Bargaining matters. It is further pointed out that the Panel erred in its Award on Page 14 when it refused to based its findings and order on the sub-section (6) factor of the overall compensation

presently received by employee when it stated 'it is the Panel's belief that these items should not be taken into consideration in making a decision on wage increases'."

This assignment of error does not conform with what is said in the Award. The Panel considered overall compensation presently received by employees discounting County paid for legislative benefits as they don't increase the employee's buying power as compared with other County employees receiving 5½% increases. The Panel also discounted a number of fringe benefits when making wage comparisons of employees in comparable positions with the same or similar fringe benefits in order to get a true wage comparison. The County believes the Panel erred by confusing the use of comparable employees in other jurisdictions with the separate element of "overall compensation" involved in this arbitration. This argument ignores the statutes' admonition that the findings are to be made upon factors as applicable. Comparables in the Panel's opinion are relevant and applicable to this situation. Such arguments do not constitute a showing of a significant hardship or manifest error.

10. "Commencing on Page 23, the Arbitration Panel makes its findings as to the wage issue. It identifies only three of the eight factors as important to determine wage increases." The law requires all eight to be considered. It is error to use than less all factors. We have previously commented on the statutory requirement of using applicable factors. A complete reading of the Award shows other applicable factors were considered such as the interest and the welfare of the public and the financial ability of the government unit to meet the costs and the overall compensation received by the employees except information as to insurance costs to the Employer which information was not offered until the second hearing. Such allegation does not show a significant hardship manifest error requiring changing the Award.

11. "Employer also believes that the Arbitration Panel erred when it determined that the Employer did not pay comparable to other counties by refusing to utilize a percentage base comparable rather than flat dollar amount comparable." Without testimony which would persuade the Panel about the validity of this claim, the Employer fails in its burden of showing a significant hardship or manifest error.

12. "The Arbitration Panel further erred when it found that St. Clair and Madison County compete for employees in the same labor supply area, there being no evidence offered with respect thereto. All that can be considered evidence is that Madison County and the Employer abut each other geographically. Such evidence offers no support for the conclusion reached relating to competition for available labor force."

The Employer offered in evidence a comparison of Patrol Deputies and Correctional Officers as follows:

Madison County	43 Deputies
	32 Correction Officers
St. Clair County	41 Deputies
	54 Correction Officers

Captain Weith of the St. Clair County Sheriff's Department testified that to his knowledge there were 13 Bargaining Unit employees who live in Madison County and work for St. Clair County in the Sheriff's Department. He didn't check to see how many people from St. Clair County work in Madison County.

Admittedly, there was no direct evidence supporting the Panel's conclusion that St. Clair and Madison Counties compete for employees in the same labor supply area. The Panel in making such statement was taking judicial notice of the proximity of those counties to each other and to the St. Louis, Missouri labor market. The Employer's evidence would indicate that some thirteen St. Clair County employees live in Madison County, thus suggesting there is some competition. No evidence was introduced as to the reverse situation. However, as the Employer points out, a review of the record as it relates to longevity shows, in fact, the Employer has recruited almost 80% of its combined workforce at a current or lesser rate of pay. All of this evidence suggests that while such factor can be taken into consideration by the Panel as a factor normally or traditionally taken into consideration in voluntary Collective Bargaining with respect to wages, it is not applicable in this arbitration. Thus, the discounting of this factor does not detract from other applicable factors as discussed in the Award so that the fact that the Panel may have erred in this area doesn't, when all factors are considered, show that such a finding works a significant hardship on the Employer or was manifest error.

13. The Employer alleges that the conclusions on Page 26 of the Award are similarly in contravention of the law, presumably the Illinois Labor Relations Act, in three areas, namely, first the conclusion that 75% of the workforces' needs for increased wages due to the cost of living, except for two individuals who are at 9%, was exceeded by the Employer's offer of an 8½% increase over two years. Second, the Panel specifically refused to grant the Employer the legally required attention for overall compensation by ignoring it; and third, the Arbitration Panel erred when it failed to credit the Employer with extra benefits and salary (longevity pay) to these employees which are not enjoyed by other County employees, maintaining that longevity after five years equates to approximately 2% more for employees in this unit than paid to other County employees.

With respect to the loss in buying power, neither the Employer's presentation or its brief in the original proceedings made clear to the Panel that the total wage package exceeded the loss of buying power. Irrespective of that, as heretofore indicated, it didn't raise the wages to the level of the comparables. The Panel did not ignore, as charged, the overall compensation as can be seen from page 14 of the Award. The Employer's contention that employees in this unit with the Employer's offered wage increase plus the 2.5% or more for longevity is more than other Employer's workers is not well-founded. An exhibit in the initial case listed 97 Employer's employees together with their years of employment. Only 23% as of 1991 were eligible for longevity pay. The other 77% would not receive the 2.5% and under the Employer's offer would not receive the 5.5% that the Employer's other workers received.

While the Panel, in two instances, may have been wrong in their conclusions, the heretofore review of alleged errors demonstrates that the Employer in this supplemental hearing has not carried its burden of showing significant hardship or manifest error justifying the Panel modifying the Award as to wages.

DISCUSSION OF LONGEVITY ISSUE

The Employer asserts that since, on Page 34 of the Award, the Arbitration panel readopts its positions relating to trained and stable employment levels and on

financial ability as a basis for the Award, the Employer reasserts that inasmuch as the conclusions of the Arbitration Panel are unfounded as shown earlier in the discussion on wages, it readopts its position as there stated. The Panel, likewise, readopts the statements made in connection therewith and the conclusions that they do not show a significant hardship or manifest error which would justify the Award as to longevity being changed.

1. The Employer alleges:

"On Page 36, the Arbitration Panel states that 'just because the parties can't reach agreement after two (2) years of negotiations, it must adopt the Union's position'. This kind of reasoning without support in any of the eight factors will merely urge Union's to wait to get to an Arbitrator rather than negotiate."

The Arbitration Panel did not hold as so alleged. It declined to follow the Employer's suggestion that the issue of longevity be deferred for further negotiation holding that the time for negotiations had passed, stating:

"The Panel rejects the argument that a decision should be delayed for further negotiations. The parties have had nearly two (2) years of negotiations and have not been able to resolve this issue. It therefore needs to be resolved through arbitration. It is an issue which might, in the private sector, well cause a strike. Interest arbitration is legislatively mandated to avoid such a situation. Hence, it needs to be resolved without further negotiations."

A summary of the other contentions by which the Employer seeks to have the Arbitration Panel overturn its Award with respect to longevity is as follows:

It contends that the Arbitration Panel ignored the effect of adding longevity pay which is contrary to factor (4)A which is a comparison of wages and conditions of employment of the Sheriff's Department employees with wage, hours and conditions of employment with those of employees doing similar work and other employees generally and factor (6) providing for a consideration of the Sheriff's Department direct wage compensation and all

other benefits. It claims it is inappropriate to base the Panel's decision on the wage raise dollar value of comparables to support its conclusion. The evidence shows that the Employer pays benefits to its workers not enjoyed by comparable County employee packages arguing as an example, that if a comparable County's insurance levels are compared with the Employer, it becomes clear that the suggested dollar amount disparity between what the Employer pays and what other Counties pay for employees shrinks by a large amount, almost equating the salary amount differences. The Panel failed to consider several of the statutory factors at all when assessing the longevity Award; without evidence to support it, the Panel found that 33% of the Sheriff's Department workforce will, 5 years after their employment, fall behind the average of their counterpart. This finding is a statement of argument made by the FOP. It doesn't take into consideration that there will be one or more contract negotiations in the next 5 years; the findings based on page 38 of the Award that even under longevity offers of both parties, the members of the Bargaining Unit will not be earning close to the averages of comparable Counties, but will, under the Union offer, narrow the gap are based on improper factors, are not supported by an evidence, and are contrary to the record; the Arbitration Panel failed to consider several statutory factors at all when assessing the longevity Award; it has improperly substituted its opinion for the long-standing negotiated provisions between the FOP and the Employer to only grant longevity in a flat dollar amount; the Arbitration Panel in deciding longevity and on behalf of the FOP, created a glaring inconsistency with its rationale granting FOP wage proposals. The Panel asserted the Employer's wage offer was too far below the alleged loss of buying power of 7.1% of these employees. Then the Panel rejects the 7% increase in longevity offered by the Employer. Such offered increase, not only recovers the alleged loss in buying power suggested by the Arbitration Panel, but also pushes the employees beyond that alleged loss because it compounds with the 8.5% increase proposed by the Employer. Thus, the rejection of the Employer's longevity proposal is inconsistent with the Arbitration Panel's finding as to wages.

In all of these arguments, the Employer has failed to carry its burden of demonstrating through evidence introduced in the initial hearing that the Panel improperly analyzed the evidence to reach wrong conclusions. The

one exception was its attempt to use information on insurance, Employer's Exhibit EEEE. This exhibit was offered in evidence in the second hearing and rejected as new evidence which couldn't be used in the supplemental hearing. The Panel rejects contention that the use of wage raise dollar value of comparables to support its conclusion on longevity is inappropriate and that while longevity adds to these Employer's pay, but not other County workers, it is contrary to factors (4)(a) comparable employee compensation and (6) for all compensation. While all of the statutory factors are important, the Arbitration Panel is charged with considering and weighing them, arriving at its decision. Like all things weighed, they are not necessarily equal and one or more can tip the scales in favor of certain conclusions in arriving at a decision. It was the Panel's finding that factor (4)(a) when considered in light of the evidence demonstrated a great disparity between what comparable agencies' employees were receiving in wages and longevity than that offered by the Employer in its final offer on this issue and was more nearly approached by accepting the Union's longevity offer. The Panel dealt with the subject of overall compensation in Discussion of the Wage Issue rejecting the Employer's contention that overall compensation was not given consideration as the Award indicated to the contrary.

With respect to the finding that 33% of the Sheriff's Department workforce will, 5 years after their employment, fall behind the average of their counterparts as not being a fact upon which the decision may be based. This is not error showing a significant hardship or other manifest error as the Panel can only reach its decision on the evidence presented to it and not speculate as to whether there will be increases or other things occurring in future negotiations which can affect the facts as presented in the initial hearing. Insofar as the 91-92 Contract terms as awarded reflect, the statements were correct as it affects that Contract.

The Employer's assertion that the Arbitration Panel, in deciding longevity on behalf of the FOP, created a glaring inconsistency with its rationale of granting the FOP wage proposal in that the Panel asserted the Employer's wage offer was too far below the alleged loss of buying power of 7.1% of these employees is not substantiated by the evidence presented in the initial hearing. The Panel never asserted that the Employer's wage offer was too far below the alleged loss of buying power as that fact doesn't appear in the Award and was not made evident during the hearing or in the Employer's Brief filed in the initial hearing.

While the Employer's contention that the Panel made numerous errors with respect to longevity, the presentation with respect thereto while argument doesn't demonstrate that those errors, if they existed, were such as to cause a reversal or modification of the Award or imposed an extreme hardship on the Employer.

ADDITIONAL ERRORS FOR BOTH THE WAGE AND LONGEVITY AWARD

Under this heading, the Employer lists its reasons for rejecting the Award, maintaining that the Employer's rights are denied therein. It contends that the statute relating to supplemental proceedings has not be implemented by the administrative agency responsible for its implementation by rule making, contesting the constitutional validity of the statute and the failure of the Labor Board to provide direction as to the scope of the supplemental proceedings. It again attacks the Panel's rejection of new evidence in the supplemental proceedings dealing with statutory changes reducing a County's expected revenues from the Income Tax surcharge. It also alleges that the Award violates the State's Mandate Act as no appropriation has been made by the Illinois General Assembly to pay for the Arbitration Award as required by the Arbitration Panel. The Employer also asserts that the arbitration process violates the constitutional principle of improper delegation of legislative authority.

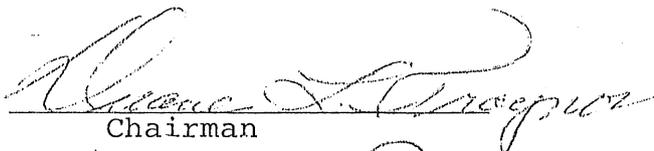
We have heretofore indicate that these are matters for courts to decide and are not within the preview of an Arbitration Panel. Consequently, they cannot be used by an Arbitration Panel either in issuing an Award or changing or modifying it in supplemental proceedings.

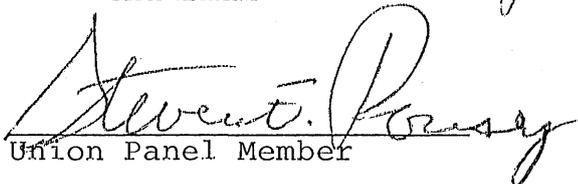
The Panel, having considered the County Board's reasons for rejection of the Award and the evidence presented at the supplemental hearing together with briefs and arguments of the Employer, finds that the Employer has not demonstrated that the Award causes a significant hardship on the County, or contains manifest errors sufficient to cause the Panel to change or modify the Award. Accordingly, its ruling on the two issues rejected is that same as that issued the 27th day of May, 1992.

AWARD

The Award of May 27, 1992 is reaffirmed as to the issue of Wages and Longevity.

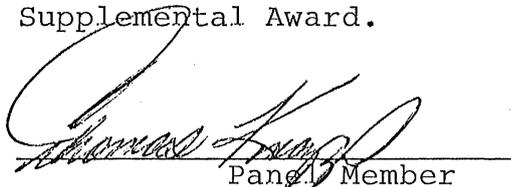
Dated this 15th day of September, 1992.


Chairman


Union Panel Member

Employer Panel Member

I dissent with the Supplemental Award.


Panel Member

DISSENT ENCLOSED (12)

DISSENT TO SUPPLEMENTAL ARBITRATION AWARD

Case No.: S-MA-91-047

This dissent is filed by Employer's representative to the arbitration panel in the supplemental arbitration proceeding between the Illinois FOP and St. Clair County.

This dissent is based on the following deficiencies:

1) the panel is without legal authority to grant an award that is in conflict with the State Constitution; and

2) the panel is without legal authority to grant any award that extends back into a closed fiscal period; and

3) the panel is in violation of state law and case history as those were presented factually and by legal precedent by Employer; and

4) the panel did not have authority to issue any supplemental award because the state legislature and the Illinois State Labor Relations Board have provided no adequate guidelines for the supplemental arbitration proceeding, thereby rendering the process illegal as an improper delegation of authority; and

5) the panel failed to adhere to the criteria required in the statute in issuing both of its awards; and

6) the panel failed to receive evidence offered by Employer thereby depriving Employer of a fair and impartial hearing on the merits; and

7) the record supporting the initial arbitration award is lacking in evidence to support the original award issued; and

8) the panel improperly refused to allow evidence of change of circumstances during the pendency of the supplemental proceeding; and

9) the panel improperly applied the facts to the criteria that it did use to make its decision; and

10) the deficiencies raised by the dissent to the original arbitration award have not been cured, and therefore, I adopt that dissent again here by reference as if restated in its entirety; and

11) the panel adopted a standard of review in the supplemental proceeding that is not authorized by law and which caused the panel to exceed its grant of authority; and

12) the panel improperly refused to consider the legal arguments raised by the Employer; and

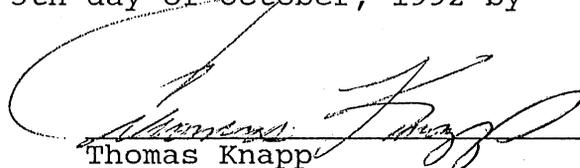
13) the panel's supplemental award violates the fiscal statutes governing local governmental entities and the expenditure of funds; and

14) the panel improperly adopted non-precedential arbitral decisions as controlling in this case; and

15) the panel failed to consider all of the evidence with respect to the two open issues.

Because of the foregoing, I respectfully dissent to the supplemental award and file this dissent as a part of the record of that supplemental award.

Filed this 5th day of October, 1992 by


Thomas Knapp
Arbitration Panel Member

STCDISS2

NOV 18 1992

STATE LAB. REL. DIV.
SPRINGFIELD, ILL.

* * * * *

In The Matter of Interest *
 Arbitration Between *
 *
 County of St. Clair and *
 St. Clair County Sheriff Dept. *
 *
 and *
 *
 Illinois Fraternal Order of *
 Police Labor Council *
 *
 * * * * *

S-MA-91-047

SECOND SUPPLEMENTAL AWARD AND DECISION

FACTS

On October 29, 1992 the Chairman of the Arbitration Panel received a letter dated October 28, 1992 from Attorney Ivan L. Schraeder representing St. Clair County and St. Clair County Sheriff's Department advising that the St. Clair County Board, at its October 26, 1992 regular meeting, took up a review of the Supplemental Arbitration Decision issued on October 13, 1992 pertaining to Wage and Longevity issues which by agreement of the parties were to be inserted in a negotiated Collective Bargaining Agreement between St. Clair County and in the St. Clair County Sheriff's Department and the FOP representing certain employees in the Sheriff's Department. It advised the Arbitration Panel that the County Board unanimously rejected the entire Supplemental Award.

The letter further advised that within the next few days, the County Board, through counsel, will file its reasons for rejection of the Supplemental Arbitration Award and that the County is prepared to reopen the Interest Arbitration proceedings so that additional supplemental proceedings could be completed expeditiously.

The Arbitration Panel treats this letter as a Motion To Reopen The Arbitration Proceedings For The Purpose Of An Additional Hearing based upon the provisions of Section 14 of the Illinois Public Labor Relations Act (ch. 48, I.R.S., sec. 1614).

COPY

On October 29, 1992 the Employer mailed the Chairman of the Panel its reasons for rejecting the Supplemental Award. A copy thereof is attached to this Award marked Exhibit "A" and by reference thereto made a part hereof.

The Arbitration Panel finds:

(1) Section 14(k) of Section 1614 provides orders of the Arbitration Panel shall be reviewable, upon appropriate petition either by the public employer or the exclusive bargaining representative, by the Circuit Court for the County in which the dispute arose or in which a majority of the affected employees reside * * *;

(2) That Section 14(g) in part provides as to each economic issue the parties are to submit to the Arbitration Panel and to each other its last offer of settlement and 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).

(3) That under Section 14(n) it is provided that the Arbitration Panel's initial Award is to be submitted to the public employer's governing body for ratification and adoption with the governing body authorized to review each term decided by the Arbitration Panel and if it rejects one or more terms of the Arbitration Panel's Award, it must provide reasons for such rejection with respect to each term so rejected. Within 20 days of such rejection, the parties are then required to return to the Arbitration Panel for further proceedings and the issuance of a supplemental decision with respect to the rejected terms. It specifically provides: "Any supplemental decision by an Arbitration Panel or any other decision maker agreed to by the parties shall be submitted to the governing board for ratification and adoption in accordance with the procedures and voting requirements set forth in this section".

(4) That Section 14(o) provides: "If the governing body of the employer votes to reject the Arbitration Panel's decision, the parties shall return to the Panel within 30 days after the issuance of the reasons for rejection for further proceedings and issuance of a supplemental decision."

(5) That on May 27, 1992, the Arbitration Panel issued its initial Award in a 2 to 1 decision. The County Board

rejected the Award and pursuant to Section 14(n) a supplemental hearing was held on July 31, 1992. Subsequent thereto on September 15, 1992 by 2 to 1 vote, the Arbitration Panel issued a Supplemental Award which has now been rejected by the employer.

(6) That the parties' Collective Bargaining Contract expired December 31, 1990; that prior thereto and continuing up to late summer of 1992, the parties negotiated and agreed to all provisions of a new Collective Bargaining Agreement for the period beginning 1/1/91 and ending 12/31/92, except issues covering Wages, Longevity Pay and Insurance, which they submitted to Interest Arbitration. The Arbitration Panel accepted the Employer's Insurance last offer and the Union's last offers on Wages and Longevity Pay. It was contemplated that on the acceptance of the Arbitration Panel's decision, those decided issues were to be inserted into the Contract finalizing it.

(7) The initial Award provided for pay increases for the St. Clair County Sheriff Department affected employees and for a change in a formula for longevity pay. These payments were retroactive, effective January 1, 1991 and involved 2 county budgetary years.

(8) That the reasons for the rejection of the Supplemental Award in a great part are legal questions more properly passed upon by Courts, not arbitration. Those questions and other matters raised in the County Board's rejection letter were addressed and passed upon in some form in the Arbitration Panel's Supplementary Award so no reason exists for a further hearing.

DECISION AND AWARD ON MOTION

It is the function of Courts to interpret statutes, not that of Arbitrators who normally serve as interpreters of Collective Bargaining Agreements. However, since the Panel of Arbitrators' authority is derived in these proceedings from the statute, specifically Section 14 of the Illinois Public Labor Relations Act, the Arbitration Panel must be guided by its understanding of the Act and its purpose in order to ascertain its authority.

It is stated in 34 Illinois Law and Practice Section 103 dealing with Statutes as follows:

"The courts have indulged numerous presumptions as aids in the construction of statutes, including

presumptions that the General Assembly intended the entire statute to be construed as a whole and the several parts thereof to be consistent and harmonious, that the General Assembly intended to enact an effective statute, that the General Assembly did not intend to enact a statute which has unjust or absurd consequences, and that the General Assembly did not intend to place superfluous provisions in a statute."

The employer, apparently noting that subparagraph (o) follows subparagraph (n) which provides for County Board review and rejection of both the initial and supplemental awards, seems to believe that subparagraph (o) has application not only to the initial award, but also the supplemental award so that it is entitled still another hearing after rejection of the Supplemental Award. This in turn would require still another award. Such contention would seemingly permit the making of a new final offer and evidence in connection therewith justifying it; or if not, a new final offer evidenced of changed conditions from those that existed at the time of the initial hearing and new evidence with respect to the 8 factors which the Panel must consider.

Such a contention requires the Arbitration Panel, in order to determine its jurisdiction, to construe Section 14 of the Illinois Public Relations Act or at the very least make a determination of our understanding of what it provides. In so doing, we need to be guided by those same principles, heretofore set out, by which Courts reach a determination of a statute's meaning, a procedure somewhat analogous to arbitative interpreting Collective Bargaining Agreements.

The Legislature in enacting Illinois Public Labor Relations Act, 48 IRS 1601, et. seq. in Section 1602 stating the purpose of the Act states in part:

"It is the purpose of this Act to prescribe the legitimate rights of both public employees and public employers, to protect the public health and safety of the citizens of Illinois, and to provide peaceful and orderly procedures for protection of the rights of all. To prevent labor strife and to protect the public health and safety of the citizens of Illinois, all collective bargaining disputes involving persons designated by the Board as performing essential services

and those persons defined herein as security employees shall be submitted to impartial arbitrators, who shall be authorized to issue awards in order to resolve such disputes. It is the public policy of the State of Illinois that where the right of employees to strike is prohibited by law, it is necessary to afford an alternate, expeditious, equitable and effective procedure for the resolution of labor disputes subject to approval procedures mandated by this Act. To that end, the provisions for such awards shall be liberally construed."

Such declaration and the procedures thereunder are referred to as Impasse Procedures which are a substitute for a strike. They can take several forms, i.e. mediation where a mediator seeks to help the parties reach an agreement; Fact Finding as an aid to resolving differences; Advisory Arbitration Awards; and Binding Arbitration which takes two forms. A hearing before an Arbitrator (or Arbitration Panel) who after receiving evidence, issues an Award setting out and declaring the issues presented what the Contract should provide, or Final Offer Arbitration where the Arbitrator (Arbitration Panel) must, based on evidence presented, choose between two final offers of settlement on presented issues and they are then incorporated into the Collective Bargaining Agreement.

The Illinois Legislature in Section 14 of the Act elected to require Final Offer Binding Arbitration thereby rejecting Advisory Arbitration.

As the Courts have held in Construing Statutes, the General Assembly intended the entire Statute be construed as a whole and that several parts thereof be consistent and harmonious, nor did it intend to enact a statute which has unjust or absurd consequences. It is obvious that the legislature in providing for interest arbitration with final offers, one of which is to be selected by the Arbitration Panel, contemplated a situation where the Collective Bargaining Agreement could be finalized based on evidence that existed and was presented at the initial hearing. As a safeguard, it provided in 14(n) for an appeal procedure by allowing a rejection of the initial Award and subsequent hearing to permit the curing of errors, if any. Failing to get what a party believed to be a satisfactory result, it provided under Section 14(h) for a review by the Circuit Court. Section 14 does not envision a rejection of the Award resulting in hearings ad infinitum with new evidence being introduced in each until one of the parties succeeded

in getting an Award favorable to it. Such a procedure would result in unjust and absurd consequences. This is patently evident when one considers Section 1602.

To permit hearings ad infinitum emasculates the theory of the statute, namely to settle labor disputes by affording an alternative expeditious, equitable and effective procedure for the resolution of labor disputes. Once a decision has been made in accordance with statute, the matter should be closed.

In this case, negotiations and arbitration hearings have continued for 2 years without a Collective Bargaining Agreement being reached. Prior to arbitration, the parties had agreed on new contract terms except for those being submitted to arbitration. One such term was that it was to be a two-year contract ending in December 1992. With negotiations for a new Collective Bargaining Agreement under way, it is the Arbitration Panel's belief and holding that a Motion for the Reopening and holding of another hearing was not within the intent of the statute and the Arbitration Panel has no authority to hold another hearing.

AWARD AND DECISION

Motion to Reopen the Hearings for further hearings and evidence as to the employer's rejected terms of the Supplemental Award is denied. The Arbitration Panel will therefore not hold another hearing.

Dated this 15th day of November, 1992.

Alvin J. [Signature]
Chairman

Stewart Rousay
Panel Member

Panel Member

I Dissent:

Dated this ____ day
of _____, 1992.

SEE ATTACHED CONCURRENCE

[Signature]

Impartial Arbitrator

CONCURRING OPINION OF PANELIST THOMAS KNAPP

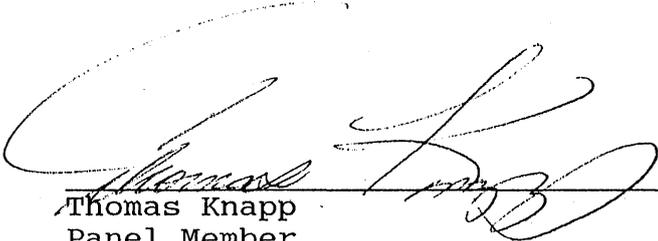
I concur with the Arbitration Panel's majority decision to deny additional proceedings in arbitration because to hold further hearings in this particular matter will result, I believe, in no change to the award granted in the initial and supplemental arbitrations. I do not adopt the majority rationale, but concur that the legal issues are more appropriately addressed by the Illinois courts.

Therefore, in order to expedite processing of this matter and to avoid what would be fruitless efforts by the parties, I concur that no other arbitration proceeding needs to be scheduled in this matter. I further concur that the parties should seek whatever court action they deem appropriate to review both the law, and the awards in this matter.

Concurrence in the result should not be considered or accepted as an opinion on the law in this matter, nor as a change with respect to the initial or supplemental award dissents filed as a matter of record.

I CONCUR WITH THE RESULT ONLY OF THE SECOND SUPPLEMENTAL AWARD AND DECISION.

Dated this 6th day of November, 1992.



Thomas Knapp
Panel Member

IVAN L. SCHRAEDER

Attorney At Law

10 South Brentwood • Suite 205
St. Louis, Missouri 63105

Licensed: Missouri, Illinois, Oklahoma

(314) 726-0122
Fax # (314) 727-4469

October 29, 1992

CERTIFIED MAIL
WITH RETURN RECEIPT

Duane L. Traynor, Arbitrator
Security Bldg., 3rd Floor
510 E. Monroe
Springfield, IL 62701

Re: St. Clair County and FOP Arbitration - Supplemental Award
Case No: S-MA-91-047

Dear Arbitrator Traynor:

This letter provides Employer's reasons for rejection of the recent Supplemental Arbitration Award in the case noted above, as is required under Ill. Rev. Stat. c.48 para. 1614(n), 80 Ill. Admin. Code Section 1230.110(c) of the Rules and Regulations of the Illinois State Labor Relations Board, dated November, 1990.

As you were notified by letter dated October 28, 1992, Employer unanimously rejected the Supplemental Arbitration Award.

Employer rejected the Supplemental Arbitration Award for the following stated reasons:

I. The Arbitration Panel violated the Illinois Constitution and statutes in granting the original award and the supplemental award.

A) The Panel is without legal authority to grant an

Traynor, Hendricks & Reed

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EXHIBIT " A "

award that requires payment of monies that are not appropriated and/or which are in excess of an appropriated amount.

B) The Panel is without legal authority to grant additional monies for periods of time when payments for work have already been made to the public workers for the same period.

C) The Panel is without authority to grant pay raises for closed fiscal periods.

II. The Arbitration Panel violated Illinois public policy and the arbitration statutory section when it failed to review and relate to each of the required arbitration criteria set out in Ill. Rev. Stat. c.48 para. 1614(h) and 80 Ill. Admin. Code Sec. 1230.100(b).

A) The Arbitration Panel failed to review and make findings concerning the legal authority of Employer under the Illinois Constitution and statutes to pay any award that is made by the panel.

1) The Illinois Constitution prohibits payments of amounts for which appropriations are not made by the governing body.

2) The Illinois Constitution prohibits payments of any kind in excess of appropriations.

3) The Illinois Constitution prohibits additional payments to employees for periods of time for which they have been compensated.

4) Illinois law prohibits payments for matters which arose after a fiscal period has closed.

B) The Arbitration Panel failed to take into consideration facts related to "changes in any of the circumstances during the pendency of the arbitration proceedings".

1) The Illinois General Assembly withheld substantial amounts of income from Employer that were projected as income in Employer's budget during one year of the term of the award reducing available general revenues for payment of wage increases.

2) The Scott Air Force base project was finalized requiring commitment of the available reserves of Employer thereby substantially reducing monies available from general revenue to pay wage adjustments.

3) Employer's fiscal year closed eliminating the legal ability to pay any retroactive wage adjustment amounts.

4) Appropriations for wage increases for the unit involved in the arbitration were not adequate to pay for the wage adjustment and longevity awarded by the Arbitration Panel.

C) The Arbitration Panel violated public policy when it failed to relate to the criteria of "interests and welfare of the public and financial ability of the unit of government to meet those costs".

1) The Illinois Constitution and statutes limit the amounts and the manner in which monies may be spent for payments of public employee wages. The awards in both proceedings violated these legal restrictions.

2) The public policy of the State of Illinois as established by Constitutional and statutory principles requires Employer to establish fiscal management and service priorities for the local governmental entity which public policy considerations were violated by both arbitration awards relating to wages and longevity.

3) The decision of the Arbitration Panel violates the public policy of the State of Illinois by ignoring the statutory fiscal restraints placed on local governments.

D) The Arbitration Panel failed to apply properly all of the facts related to comparables.

E) The Arbitration Panel misapplied the CPI for the period and wrongfully concluded that the CPI supported only the union position as to wages and longevity.

F) The Arbitration Panel failed to consider all of the related issues in utilizing the comparables when it ignored the facts related to the mandated criteria of overall compensation received by the employees.

III. The supplemental arbitration process and the section of the statutes relating to it are an unconstitutional delegation of authority to the arbitration panel because there are no standards to govern the supplemental proceedings.

A) The statute provides no procedures to govern the supplemental arbitration process and the Illinois State Labor Relations Board has adopted no rules to implement the supplemental arbitration process.

B) The supplemental arbitration section of the statute provides no standards to guide the Arbitration Panel's decisions during the supplemental proceedings.

C) The Arbitration Panel failed to adopt procedures for the conduct of the supplemental proceedings thereby

denying Employer procedural due process and the ability to have all of its proffered evidence material to the controversy considered during the proceeding.

D) The Arbitration Panel exceeded its statutory authority when it adopted standards of review in the supplemental proceedings that were not authorized by law.

IV. The Arbitration Panel failed to cure all of the defects raised by Employer relating to the first arbitration award and therefore the errors continue in the supplemental proceeding and award.

A) Employer asserted deficiencies with the initial arbitration proceedings in three (3) documents. These errors were not corrected and are reasserted by Employer and are incorporated by reference as a part of this rejection letter as if fully restated herein. The statements of error are found in the following documents:

- the dissent to the original award
- Employer's reasons for rejection of the original arbitration award
- the dissent to the supplemental award

B) The Arbitration Panel improperly refused to admit evidence offered by Employer during the supplemental

proceeding to prove its case challenging the deficiencies with the initial arbitration award.

C) The record in both arbitration proceedings is lacking in evidence to support either of the Arbitration Panel's awards as to wages and longevity.

D) The Arbitration Panel improperly applied the facts to the criteria it did use in reaching its awards.

E) The deficiencies specified in the dissent to the original arbitration award have not been cured.

V. Employer's rights of procedural due process are denied by the Act and its implementing rules because the section of the statute relating to supplemental proceedings has not been implemented by the administrative agency responsible for rule-making as to the procedures to be followed and as to the considerations and criteria that are to be applied in the supplemental proceedings.

A) There are no criteria provided in the statute or administrative rules to govern the review of the original award or to direct the Arbitration Panel during the supplemental proceedings.

B) There is no procedure provided by appropriately adopted rules and regulations as required by the Illinois Administrative Procedure Act (Ill. Rev. Stat. c. 127

para. 1001 et seq.) to regulate the conduct of the supplemental arbitration proceedings.

VI. The arbitration awards violate the State Mandates Act.

A) No appropriation has been made by the Illinois General Assembly to pay for this arbitration award as required by the Arbitration Panel.

CONCLUSION

Employer asserts that the legal errors, the constitutional and statutory limitations on Employer, the failure to consider all of the statutory factors as to the wage and the longevity award, the confusion of argument with fact to support conclusions, the failure of the Arbitration Panel to assess Employer's legal authority under state law relating to appropriation limitations and the scope of Employer policy-making ability, and the interference with established public policy considerations of the elected body require the award to be set aside.

Therefore, Employer respectfully requests the following:

- 1) that the Arbitration Panel reject the Union's wage proposal and adopt Employer's wage proposal; and

- 2) that the Arbitration Panel reject the Union's longevity proposal and adopt Employer's longevity proposal.

Respectfully submitted for Employer by



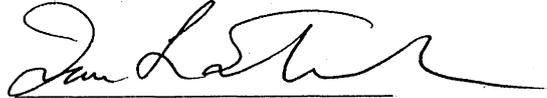
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CERTIFICATE OF SERVICE

The undersigned certifies that he caused the foregoing document to be served on the following noted persons by placing same in a postage prepaid envelope certified mail, return receipt and mailing it on Thursday, October 29, 1992 addressed as follows:

- 1) Arbitrator Duane Traynor, Chairman
Security Bldg., 3rd Floor
510 E. Monroe
Springfield, IL 62701
- 2) Panelist Steve Rousey
Il. FOP Labor Council
612 S. Russell
Champaign, IL 61821
- 3) Thomas Knapp
c/o Sheriff's Office
700 N. 5th Street
Belleville, IL 62221
- 4) Thomas Sonneborn, Attorney
Il. FOP Labor Council
974 Clocktower Drive
Springfield, IL 62704
- 5) Brian Reynolds, Exec. Dir.
Il. State Labor Relations Board
320 W. Washington, Ste. 500
Springfield, IL 62706



Ivan L. Schraeder

CERTIFICATE OF SERVICE

I, Chairman of the Arbitration Panel in the above entitled matter, hereby certify that on the 17th day of November, 1992, I deposited a true copy of the Award in the above entitled matter in the U.S. Post Office box plainly addressed to Brian E. Reynolds, Executive Director, Illinois State Labor Relations Board, 320 West Washington Street, Springfield, Illinois 62701.

A handwritten signature in cursive script, appearing to read "Brian E. Reynolds", is written over a horizontal line.