IN THE MATTER OF ARBITRATION	
BETWEEN	**ARBITRATION AWARD: ILLINOIS STATE LABOR RELATIONS BOARD CASE NO. L-MA-05-006 Sheriff's Day Reporting Unit**
COOK COUNTY SHERIFF OF COOK COUNTY	
AND	
ILLINOIS FRATERNAL ORDER OF POLICE - LABOR COUNCIL	**Before Raymond E. McAlpin, Neutral Arbitrator**

APPEARANCES

For the Union: **Gary Bailey, Attorney**

For the Employer: **J. Stuart Garbutt, Attorney**
Jake Rubenstein, Attorney

PROCEEDINGS

The Parties were unable to reach a mutually satisfactory settlement of their negotiations covering the period Employer 12-1-04 - 11-30-08 Union 12-1-04 - 11-30-07 therefore, submitted the matter to arbitration pursuant to the Illinois Public Employee Labor Relations Act. The Parties did not request mediation services. The hearing were held in Chicago, Illinois on October 23, 2006. At these hearings the Parties were afforded an opportunity to present oral and written evidence, to examine and cross-examine witnesses, and to make such arguments as were deemed pertinent. The

Parties stipulated that the matter is properly before the Arbitrator. Briefs were received on January 12, 2007.

STATUTORY CRITERIA

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

1. The lawful authority of the Employer.
2. Stipulations of the Parties.
3. The interests and welfare of the public and the financial ability of the unit of government to meet those costs.
4. Comparison of the wages, hours and conditions of employment of the employees involved in the Arbitration proceeding with the wages, hours and conditions of employment of other employees performing similar services and with other employees generally:
   A. In public employment in comparable communities.
   B. In private employment in comparable communities.
5. The average consumer prices for goods and services, commonly known as the cost of living.
6. The overall compensation presently received by the employees, including direct wage compensation, vacations, holidays and other excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment and all other benefits received.

7. Changes in any of the foregoing circumstances during the pendency of the Arbitration proceedings.

8. Such other factors, not confined to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours and conditions of employment through voluntary collective bargaining, mediation, fact-finding, Arbitration or otherwise between the Parties, in the public service or in private employment.

(I) In the case of peace officers, the arbitration decision shall be limited to wages, hours and conditions of employment (which may include residency requirements in municipalities with a population under 1,000,000, but those residency requirements shall not allow residency outside of Illinois) and shall not include the following: (I) residency requirements in municipalities with a population of at least 1,000,000; (ii) the type of equipment, other than uniforms, issued or used; (iii) manning; (iv) the total number of employees employed by the department; (v) mutual aid and assistance agreements to other units of government; and (vi) the criterion pursuant to which force, including deadly force, can be used; provided, nothing herein shall preclude an arbitration decision regarding equipment or manning levels if such decision is based on a finding that the equipment or manning considerations in a specific work assignment involve a serious risk to the safety of a peace officer beyond that which is inherent in the normal performance of police duties. Limitation of the terms of the arbitration decision pursuant to this subsection shall not be construed to limit the factors upon which the decision may be based, as set forth in subsection (h).

ISSUES

Final Offers

	Union	Employer
Wages (2004-2005)	Eff. 12/1/04*: 3.25% increase on all steps of the present salary plan, retroactive on all hours paid	Eff. 1st full pay period on or after 12/1/04: 1% wage increase
Wages (2005-2006)	Eff. 12/1/05*: 2% increase on all steps of the present salary plan, retroactive on all hours paid Eff. 6/1/06*: 2% increase on all steps of the present salary plan, retroactive on all hours paid	Eff. 1st full pay period on or after 12/1/05: 1% wage increase Eff. 1st full pay period on or after 6/1/06: 2% wage increase
Wages (2006-2007)	Eff. 12/1/06*: 1.5% increase on all steps of the present salary plan, retroactive on all hours paid Eff. 6/1/07*: 2.5% increase on all steps of the present salary plan, retroactive on all hours paid	Eff. 1st full pay period on or after 12/1/06: 1.5% wage increase Eff. 1st full pay period on or after 6/1/07: 2.5% wage increase
Wages (2007-2008)		Eff. 1st full pay period on or after 12/1/07: 2% wage increase Eff. 1st full pay period on or after 6/1/08: 2.75% wage increase Non-compounded $500 Cash Bonus for all employees in pay status on the date the Cook County Board approves the agreement per past practice
EM Differential	Eff. 12/1/04*: 2% increase on all steps of the present salary plan, retroactive on all hours paid, to	

<table>
<tr><td></td><td>maintain parity with EM Investigators</td><td colspan="2"></td></tr>
<tr><td colspan="4">*Increases effective the first full pay period on or after the described dates</td></tr>
<tr><td>Health Insurance</td><td>Status Quo</td><td colspan="2"><u>Hospitalization Insurance</u> (Sec. 17.1):

<u>Eff. 12/1/07</u>: change employee deductibles and co-pays as follows:

<u>HMO Health Care
Eff. 12/1/07</u></td></tr>
<tr><td></td><td></td><td><u>Plan Feature</u>

Office Visit

Emergency Room

Inpatient Hospital

Outpatient Surgery

Rx Generic

Rx Formulary

Rx Non-Formulary

Mail Order Rx</td><td><u>Copay</u>

$10

$40 (waived if patient admitted to hospital

$100

$100

$7

$15

$25

twice retail copay for 3 mos. supply</td></tr>
<tr><td></td><td></td><td colspan="2"></td></tr>
</table>

		PPO Health Care Eff. 12/1/07	
		Plan Feature	Copay-Ded
		Individual Ded.	$125/250
		Family Ded.	$250/500
		Annual out-of-pocket maximum (individual)	$1,500/3,000
		Annual out-of-pocket maximum (family)	$3,000/6,000
		Coinsurance	90%/60%
		Office Visit Copay	$25/ded. & coins.
		Emergency room Copay	$40
		Rx Generic Copay	$7
		Rx Formulary Copay	$15
		Rx Non-Formulary Copay	$25
		Mail order Rx Copay	twice retail copay for 3 mos. supply

<table>
<tr><td></td><td></td><td colspan="3">Employee Premium Contributions
Eff. 6/1/08</td></tr>
<tr><td></td><td></td><td>% of Salary

Employee Only

Employee plus child(ren)

Employee plus spouse

Employee plus family

Cap</td><td>HMO

.5

.75

1.00

1.25

0</td><td>PPO

1.5

1.75

2.00

2.25

0</td></tr>
<tr><td>Uniform Allowance</td><td>Eff. 12/1/04: Increase annual allowance $50 to $700, applied retroactively</td><td colspan="3">(Sec. 18.3) Maintain status quo</td></tr>
<tr><td>Duration/Term</td><td>Three year agreement: 12/1/04 through 11/30/07</td><td colspan="3">(Sec. 19.1) Four (4) years: 12/1/04 through 11/30/08</td></tr>
</table>

UNION POSITION

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

DCSI, the Department of Community Supervision and Intervention, is a relatively small unit within the Cook County Sheriff's Department. There are three other large departments: Police Department, Corrections Department and Court Services Department. Within DCSI there are a number of sub-departments, one of which is the Day Reporting Center which is charged with supervising defendants during the day Monday through Friday - otherwise, these defendants can remain at home. Within the Day Reporting Center there are three basic job assignments - security, monitoring and case supervision.

The FOP has been representing Day Reporting Investigators since 1995. The first contract was voluntarily concluded. The second contract was the result of an interest arbitration before Arbitrator Byron Yaffe. The third contract, again, was settled in interest arbitration before Arbitrator Ed Benn. Likewise, the fourth contract was not able to be voluntarily resolved resulting in this current case. There has been a continuing dispute with respect to the Investigator II classification in this unit versus the fugitive unit Investigator II who are part of the corrections officers' bargaining unit.

A major dispute between the Parties concerns the Union's position that its wage offers must be broken down into individual years. It is the Joint Employers' position that the wage offer is a single item and must be taken in totality by the Arbitrator either under the Union's position or the Joint Employers' position. For its part the Union provided an award by Arbitrator Yaffe in 2000 wherein he resolved a 3-year contract in interest arbitration by awarding the County's wage offers in

the first two years and the Union's wage offer for the final third year of the contract. Also, the Union would draw the Arbitrator's attention to Par. 1 and Par. 5 of the Joint submission of pre-hearing stipulations. The Union would also point to an award by Arbitrator Yaffe involving the City of Rock Island and FOP 2005. Therefore, it is legal to propose multiple wage offers in a multi-year contract rather than just propose a single wage offer covering the term of a multi-year agreement.

With respect to wage offers in each individual year, the Union is proposing 3.25% for the first year whereas the Employer is proposing a 1.0% wage increase. Both Parties agree that retroactivity would apply to all hours paid. The Union has derived its final offer based on the cost of living while the Joint Employers' final offer is based upon its pattern for all other employees in the County. The Employer does not explain why its first year wage offer is so extremely low other than the internal comparables. This would represent a loss for bargaining personnel against the rate of inflation. Even the Union's offer is below the cost of living. The Union provided a number of citations in support of that position.

External comparables have always caused a great deal of debate with this Employer. There are cases wherein the Arbitrator stated that the only external comparables would be the City of Chicago and the State of Illinois, whereas other arbitrators have found numerous external comparables. Because of the unusual duties in this department, the Union has offered the top twelve most populated towns in Cook County as a reasonable base upon which to compare wages of this group. These are not necessarily comparable. Communities, as that term is used in Sec. 14, do provide a localized base from which to calculate a geographic norm for analyzing the cost of living. An analysis shows that wages increase between 3% and 4% for this time period, much higher than the Joint Employers' offer. This favors the Union's proposal.

With respect to wages for 2005-2006, the Union has proposed a split increase: 2% - 12/1/05, 2% - 6/1/06; whereas the Employer has proposed 1% for 12/1/05 and 2% for 6/1/06. Therefore, the difference between the Parties is 1%. It is the Union's proposal that is much nearer the cost of living data for that time period. Regarding wages for 2006-2007, the Union has proposed 1.5% for 12/1/06 and 2.5% for 6/1/07. The Employer has proposed the same increases for the third year of the contract. The Union would note that, even if the Arbitrator considered adopting the Joint Employers' position that all of the wage issues are one single issue, the Union would nonetheless prevail since they are cumulatively more reasonable and have more support based on the statutory factors, particularly cost of living.

The Union has made no proposal for the fourth year of the contract as proposed by the Joint Employers, therefore, the Union concedes that, if the Arbitrator selects a 4-year term, the numbers proposed by the Joint Employers will be adopted.

Regarding the EM Differential, the Union has proposed that effective 12/1/2004 a 2% across-the-board wage increase would be paid to all in the pay plan to maintain parity with the EM investigators. They are part of the Department of Corrections. The Joint Employer has provided a status quo. The Union would note that in an interest arbitration award by Arbitrator Fletcher, he found that the fugitive unit investigators and EMU investigators should be paid identically. In Arbitrators Yaffe's award of 2000 the EMU investigators received the same wage increases as the corrections officers, which means that the EMU investigators fell 2% behind. The proposal by the Union would merely reestablish parity between the two groups, therefore, internal comparability and traditional factors support the adoption of the Union's offer in this area.

Duration - the Union is proposing a status quo of the 3-year agreement while the Joint Employer is offering a 4-year agreement. The Joint Employer has offered no quid pro quo for this change. What it is proposing is a departure from a consistent history of 3-year agreements. The sole reason for the Employer to seek this departure is that this change will fit its new pattern bargaining proposal. The Joint Employers' want to alter the status quo without ever having come to the bargaining table in an attempt to actual negotiations over this departure from the past. This is consistent with Arbitrator Yaffe's 2005 interest arbitration award. Arbitrators have traditionally found that, where there is a pattern of terms of agreement, that should be continued particularly in the absence of persuasive arguments. Therefore, it is the Union's final offer regarding duration that should be accepted.

Health Insurance - the Employer seeks an increase in premium contributions, copays and other costs in the fourth year of the contract starting 12/1/07. The Union is proposing a status quo since it is only offering a 3-year contract, therefore, it is the Union's proposal that does not disturb the pattern and the internal comparability.

Uniform Allowance - the Union is proposing a $50 increase in the uniform allowance retroactively. The Employer is providing a status quo. Compared to the cost of living this is a very modest proposal on the part of the Union, approximately half the increase in the cost of living since the last time the uniform allowance was raised six years ago.

The remaining statutory factors have little, if any, impact on this case. The lawful authority of the Employer does not impact this case in any way. The stipulations of the Parties have some binding effect on the Arbitrator. They have, however, no impact on unresolved issues.

With respect to interest and welfare of the public, this is a common comparison of the rights of the public to have a fiscally responsible budget versus the ability to attract and keep quality members of this bargaining unit. Overall compensation is similar with this group and law enforcement personnel in other departments and units with the Sheriff's office. Likewise, there have been no changes during the pendency of this case that would have any impact on the analysis of the issues before the Arbitrator.

Therefore, based on the evidence presented by the Union it is the Union's offer that is more closely supportive of the statutory criterion and, therefore, it is its offer that should be adopted.

EMPLOYER POSITION

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

The Employer has offered a generous compensation plan including health benefits while keeping them in relative parity to other comparable Cook County employees. The Union for its part just presents another series of attempts which have been repeatedly rejected by previous interest arbitrators to secure extravagantly larger pay increases. The Union also wants to detach this group from the needed universal health insurance reforms in which all other Cook County employees are participating in addition to breaking the long standing parity on uniform allowance. There are no grounds to single out this unit for preferential treatment which has been denied by other interest arbitrators for other units including the Cook County Correctional Officers which have been awarded the same pattern of wage increases as other employees.

The County employs approximately 20,000 employees in 90 separate bargaining units.

Approximately 6,000 of the 20,000 hold law enforcement positions in various departments and divisions of the Cook Count Sheriff's Office. They are generally employed in the Department of Corrections, Court Services Department, Sheriff's Police Department and the Department of Community Supervision and Intervention. The largest bargaining unit is the Department of Corrections which includes the DCSI Electronic Monitoring Investigators. The unit at issue here includes Day Reporting Investigators and the unit of Fugitive Investigators. Because of the numerous bargaining units, the Employer has adopted a form of pattern bargaining. Interest arbitrators have accepted both the inevitability and historical significance of these patterns. The bargaining unit of Day Reporting Investigators was formed in May, 1995, currently consisting of about 31 individuals and populated by IS2 Investigators in the Investigator II pay grade. The first contract was settled voluntarily with the next three sub-contracts including the one at issue through interest arbitration.

In previous interest arbitrations this group has been found to be similar to the Electronic Monitoring and Fugitive units based on the official functions that they perform. There was no showing that the work conditions and duties have changed materially since the time of the previous two interest arbitration awards.

It is true that, due to Arbitrator Yaffe's 2000 interest arbitration award in the Correctional Officer unit, the EM Investigators who are part of that unit received a 2% larger increase in their wages for fiscal year 2001 than did other comparable bargaining units and, as a result, their wages remain today roughly 2% greater than the rates of the other two units. Arbitrator Yaffe himself refused to extend that additional 2% to Day Reporting Investigators in his November, 2000 interest award based on his finding that this was an unjustified windfall because they were combined with

the much larger number of Correctional Officers. Arbitrator Benn also declined to give the Day Reporting Investigators larger increases despite the fact that the rate differential continues.

The Parties in this matter have not relied on external comparisons recognizing the near impossibility of making meaningful comparisons. Therefore, the most telling comparisons are among the internal comparables of law enforcement personnel.

The Employer would note that the DCSI units received an extra 1% in the first contract by virtue of being placed on the new IS2 scale. Besides that year all investigator units have received the very same increases as other non-court services units except for the Yaffe award noted above. Court services personnel have received larger increases based on the findings that they were significantly behind internal and external comparables. Despite that arbitrators have found that pattern bargaining has been traditionally established within the bargaining units identified and, moreover, found to be one of the most important factors to be considered by interest arbitrators.

The record shows (Employer Exhibit 6) that the ranking of the DCSI Day Reporting unit is ranked appropriately among all employee groups. Day Reporting Investigators earn approximately 85.9% of Sheriff's Police Officers. The Joint Employers' final wage offers will continue this pattern. The four-year package offered by the Employer awards the same increases as awarded to Correctional Officers by the Fletcher decision of December, 2006. All have accepted the same health insurance modifications proposed in this case.

The Union mentioned at the hearing that AFSCME units besides across-the-board pattern wage increases include some restructuring of the AFSCME pay plan effective in 2008. This will result in moving them from the County's Schedule 1 pay plan to their own collectively bargained schedules. This occurred for this unit in 1996 with similar results.

The Joint Employers' pattern offer will retain the relative hierarchy of the law enforcement units reflected in Employer Exhibit 6. Thus, Day Reporting Investigators will remain well ahead of the D2 and D2B deputies under the pattern offer.

The record in this case shows that this unit has kept pace with local cost of living and will continue to do so under the Joint Employers' final wage offer in this case. Even not counting the guaranteed step increases within grade, the wage increases will exceed the local cost of living almost 3 to 2 leading up to this agreement. The Employer suggested that, for the term of this agreement, the cost of living will total some 12%. The Joint Employers' final wage offer includes increases totally 12.75%.

With respect to the Joint Employers' proposal to reform the Cook County health insurance program, the Joint Employers' offer seeks to maintain the historical uniformity, keeping the same health insurance for all Cook County employees, whereas the Union seeks to maintain the status quo and eliminate the modest reforms to the plan currently in the labor agreement - the same reforms that will apply to all other County employees under the traditionally universal County health plan. Since this is an economic issue, the Arbitrator must choose either the Union's offer or the Joint Employers' offer with respect to the health care plan.

Exhibit 18 of the Employer shows the dire need for change in the reasonableness of the Joint Employers' proposal. Dramatic cost increases have been suffered by the County in recent years. The present plan was and is unsustainable. The results of other negotiations have indicated the change bargained for is not nearly as dramatic as proposed in the Mercer report. Even the new plan will provide richer benefits than employees elsewhere in the public and private sectors, particularly

public sector employees in the City of Chicago.

The Union argued that, because of its three-year term proposal, it would effectively create a separate stand-alone insurance program for just 31 County employees. These 31 employees would remain on the old insurance plan for term of the three-year contract and, until the Parties sign a new Collective Bargaining Agreement which presumably would bring this unit in line with the rest of the County work force, if history is any guide, the negotiations for the next Collective Bargaining Agreement will be lengthy.

Regarding the Union's proposal to increase the uniform allowance, there was no showing that the present allowance is inadequate and all other units through at least 2006 maintain the same amount.

The Parties and the Arbitrator are bound by the criteria set forth in Section 14(h) in the act. The most important elements are Par. 3 through 6 with comparability being the most important. The Employer provided numerous citations in support of its position.

The Union cannot fragment its proposed wage increases into individual years and other sub-parts. The final offer in arbitration is intended to discourage interest arbitration and encourage collective bargaining. This design would be frustrated if parties would be able to fragment their proposals on an issue into sub-parts thus, inviting the Arbitrator to unreasonable compromise. The wording of the statute clearly indicates that wage rates represent the single issue for the interest arbitration under the act. The act does not state that the Arbitrator may consider any wage component according to the statutory factors. The Parties must submit their final wage packages as individual wholes, not as a series of separate increments. The Parties have made no agreement to sub-divide the issue of wages. In the absence of such an agreement, not only the wording of the act

itself but also the weight of arbitrable authority hold that the issue cannot be divided. Some arbitrators have found that the Parties cannot even agree to allow an arbitrator to divide pay issues. Again, the Employer provided numerous citations to this effect.

The Union in this matter characterizes its first four issues as separate but all involve across-the-board increases to employees' base wage rates during the term of the contract. In fact, two of the Union's wage proposals are effective on the same date. The statute simply does not allow such a strategy without at least the explicit agreement of the Parties.

The Joint Employers' proposal of a four-year contract duration is reasonable under the circumstances. While the Union noted that previous agreements for this bargaining unit always have been three-year agreements, a recent change in the act has made four-year labor agreements markedly more common. The time of the three-year agreement being status quo is now over by virtue of the amendments to the act and the current pattern of four-year agreements that the Joint Employers have either negotiated at the bargaining table or won in interest arbitration. Four-year agreements are now the status quo including Arbitrator Fletcher's December, 2006 award.

The factor covering overall compensation supports the Joint Employers' position based on the overall wage and benefit structure of this employee group. The Union proposals exceedingly surpass the overall wage and benefit compensation comparing this group to other groups within the County. This further favors the Joint Employers' four-year duration proposal, particularly when considering the fact that this unit would not participate in the health insurance reforms under the three-year duration proposal. In addition, a three-year agreement would put this unit for the first time off cycle with other comparable law enforcement bargaining units.

The health insurance reform is an essential part of the Joint Employers' compensation plan

and cannot be postponed beyond fiscal year 2008. The County bargained long and hard with labor organizations representing the majority of its employees to fashion what in the end turned out to be a very modest health insurance reform package. The Joint Employers would, or could, not agree to exempt this small unit from the reform package in customary good faith negotiations. The Union must not be permitted to achieve through interest arbitration what it could not have achieved through negotiation.

The Joint Employers' wage offer will continue the Day Reporting Investigators' status as a very generously and fairly paid group of employees. The Joint Employers' proposal will continue to outstrip the local cost of living through its term. The Day Investigators will still be in step with Cook County's other employees including law enforcement employees over the entire course of this agreement. It will also include the same health insurance reforms as other employees at the same time. The only deviation by arbitrators was in situations where they decided that wages needed to be brought closer to the Sheriff's police and others.

The EM Investigators' windfall received in 2001 does not justify the Union's wage demand in this case. This cannot be treated as a separate or independent item. It is one partial aspect of the Union's overall rate proposals in this case. Even if this differential could be considered on its own, the evidence proves that it is unwarranted and unacceptable. The Arbitrator awarded the EM Investigators' an additional 2% to these employees who did not deserve it. They received it only because they happened to be coupled with a much larger group who the Arbitrator felt did deserve the extra increase. This same Arbitrator ruled later in a separate case that the Day Reporting Investigators should not be given similar increases. Even if this was the only demand in the wage area, it should not be awarded absent compelling justification by the Union which is not contained in

this case.

The evidence overwhelming supports the Joint Employers' health insurance proposal based on internal comparables. Uniformity allows the County to leverage more favorable terms from health care providers. This prevents destructive and administratively unmanageable attempts by individual units to compete for more favorable terms and provisions. The Joint Employers' proposal will begin to address the ever increasing costs to the County which are hardly unique to this public Employer. The County has suffered alarming increases in rates without joining the nationwide trend for greater employee contributions. The County must bring its health insurance program in line with other employers. These reforms cannot be described as breakthroughs in any sense of that word and are much less than urged on the County by the Mercer report involving only incremental changes in the current program.

The Union fails to recognize that the current program is unsustainable. Costs have increased some 35% between 2002 and 2004. The rising premiums paid by the County have far outpaced the contributions of its employees. The Union's proposal would leave in place elements that have made the old program so archaic and unsound. The Joint Employers' are asking this bargaining unit simply to accept what other units and unions have previously accepted.

Finally, the uniform allowance should remain as is. The current provision maintains the balance between the internal comparables. The overall wage and benefit compensation already enjoyed by this group of employees is extremely favorable and competitive. The Union's demand to increase the uniform allowance is not justified by any empirical evidence regarding the cost of purchasing and maintaining uniforms.

This proposal was thrown into the mix by the Union in the hope of winning a benefit that it

failed to win at the bargaining table. This is hardly a novel approach. The Joint Employers' provided numerous citations of awards within its jurisdiction which continued the $650 uniform allowance. Not only has the Union failed to meet its burden of justifying the change, but also the internal comparables mandate the rejection. This is simply a back door wage increase.

Based on the above for all the foregoing reasons, the Joint Employers respectfully request that the Arbitrator adopt the Joint Employers' final offers in this case as being easily the most reasonable and appropriate of the offers present by the Parties on all issues.

STIPULATION

In addition to the written stipulations of the Parties the Parties agreed to the following stipulation at the hearing:

In the Day Reporting Center the investigators are required to own uniforms, maintain uniforms by at least one, probably more than one, but they do not wear uniforms at work. They are required to bring a uniform to work two days a year for inspection. Uniforms are required to be in the locker at all times.

DISCUSSION AND OPINION

The role of an Arbitrator in interest arbitration is substantially different from that in a grievance arbitration. Interest arbitration is a substitute for a test of economic power between the Parties. The Illinois legislature determined that it would be in the best interest of the citizens of the State of Illinois to substitute interest arbitration for a potential strike involving public employees. In

an interest arbitration, the Arbitrator must determine not what the Parties would have agreed to, but what they should have agreed to, and, therefore, it falls to the Arbitrator to determine what is fair and equitable in this circumstance. The statute provides that the Arbitrator must choose the last best offer of one side over the other. The Arbitrator must find for each final offer which side has the most equitable position. We use the term "most equitable" because in some, if not all, of last best offer interest arbitrations, equity does not lie exclusively with one side or the other. The Arbitrator is precluded from fashioning a remedy of his choosing. He must by statute choose that which he finds most equitable under all of the circumstances of the case. The Arbitrator must base his decision on the combination of 8 factors contained within the Illinois revised statute (and reproduced above). It is these factors that will drive the Arbitrator's decision in this matter.

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

Finally, before the analysis the Arbitrator would like to discuss the cost of living criterion. This is difficult to apply in this Collective Bargaining context. The weight placed on cost of living varies with the state of the economy and the rate of inflation. Generally, in times of high inflation public sector employees lag the private sector in their economic achievement. Likewise, in periods of time such as we are currently experiencing public sector employees generally do somewhat better not only with respect to the cost of living rate, but also vis-a-vis the private sector. In addition, the movement in the consumer price index is generally not a true measure of an individual family's cost of living due to the rather rigid nature of the market basket upon which cost of living changes are measured. Therefore, this Arbitrator has joined other arbitrators in finding that cost of living considerations are best measured by the external comparables and wage increases and wage rates among those external comparables. In any event, both sides have agreed that the wage increases for this bargaining unit would exceed the cost of living percentage increases no matter what source.

Of the criteria in the controlling statute only criterion three, four, five and seven are determinative to this case. As with most interest arbitrations, it is the comparables that are shown to be the most important criterion among the statutory criteria. In a rare moment of agreement the Parties have determined, and the Arbitrator agrees, that external comparables are not at all determinative to this matter. The Joint Employers rely to a great extent on their internal pattern. Not to do so would make collective bargaining much more uncertain. Generally speaking, internal comparables are usually not directly comparable to law enforcement units with the possible exception of firefighters. In this matter, however, we have a number of internal comparables to use in making a determination in this matter. These units are involved with public safety and often put their members at great personal risk in carrying out their assigned duties.

The internal comparables put a significant burden on the Union in this matter for two reasons. First, this is a very small unit among much larger units. Second, during the pendency of this matter the Arbitrator Fletcher Correctional Officers award has come down (criterion seven). This unit involves many times the number of members that constitute the Day Reporting bargaining unit.

With respect to Criterion three, The third factor is the "interest and welfare of the public and the financial ability of the unit of government to meet these costs." The wage offers are relatively close. While the Joint Employers did not plead an inability to pay, since this is a very small unit. The Union's proposal would undoubtedly have some impact on the citizens of Cook County based on the pattern. The Union countered that it would impact the interests of the citizens of Cook County if the County were unable to attract and keep competent employees. This is an excellent argument, however, there was no showing at the hearing that unusual turnover was being experienced within this bargaining unit or that the County was unable to hire those with sufficient skills to perform these jobs. Certainly, this could become a factor sometime in the future. The Arbitrator finds that while the above factor is not determinative in this matter, it certainly mitigates in favor of the Joint Employers' position and it must be given substantial weight in the final decision.

An issue-by-issue award is as follows:

DURATION: It is well established in the record that a four-year contract is the established pattern for the Joint Employers' bargaining units. The Arbitrator cannot find any persuasive

argument within the record of this case to find otherwise. In addition, the Arbitrator would note that, since the recent change in the relevant statute, four-year agreements have become much more common. Therefore, the Arbitrator will find that a four-year duration is appropriate under the circumstances. Since the Union made no wage proposal for the fourth year, this means that the Joint Employers' final wage offer for the fourth year of the agreement is also adopted.

WAGES: With the exception of year one the wage proposals for both sides in the first three years of the agreement are relatively similar. In addition the internal comparable percentage increases do strongly favor the Joint Employers' position. The Arbitrator would note for the record a longstanding holding by this Arbitrator in other interest arbitrations that percentage increases are generally meaningless to the rank and file bargaining unit member. It is actual dollar amount paid that is most important for these members and over a long period of time some inequities do develop based on strictly percentage increases. The Arbitrator sees no evidence of this currently, however, this is something of which the Parties should be aware over the long term. Based on the above the Arbitrator finds nothing in the record that would allow him to substitute the Union's wage offers for that of the Joint Employers' in this matter. The Union has asked that the Arbitrator consider each wage proposal as a separate issue allowing him to rule for either side on each wage increase for the first three years of this contract. This Arbitrator has conducted interest arbitrations in four different states for over 25 years and in all that time he has not even been asked to

split wage proposals. The Arbitrator finds this to be inappropriate. It would encourage interest arbitration and not voluntary settlements. There is no provision in the statute that allows for such consideration by interest arbitrators. The Arbitrator would find that he has no authority to make such a ruling in this matter.

EM DIFFERENTIAL:

This is an example of the law of unintended consequences and for this Arbitrator it is this issue that is most problematic. We also have the problem of splitting the wage increase. The EM Investigators were the recipients of what this Arbitrator considers a windfall due to an arbitration award issued several years ago. The arbitrator in that matter could have split the EM Investigators out from the much larger Department of Corrections unit but, for whatever reason, chose not to do so. The Arbitrator agrees this is not fair although this unit did receive extra compensation based on the fact that they were moved to the IS2 pay scale. After reviewing all the evidence presented, this Arbitrator feels that to award an extra amount of compensation to this group based on a prior error simply is not appropriate. In addition other interest arbitrators have previously chosen not to resolve this issue. This issue will not go away and the Arbitrator would note that it is based on the internal comparables. The Arbitrator would strongly suggest to the Parties that in their next negotiations they should make every effort to resolve this problem. This would not affect any internal wage pattern that may be established at that time.

UNIFORM ALLOWANCE:

The Union has asked for a very modest increase in the uniform allowance which has remained status quo for many years. Except for the fact that the uniforms are not worn, and are just maintained, this proposal would be easily justified by the Arbitrator. However, the facts are that these uniforms are kept in the DSI employees' lockers and they are subject to inspection twice a year, therefore, the uniforms are not subject to the wear and tear of uniforms that are worn every day. It is only for that reason that the Arbitrator finds that the status quo is most appropriate in keeping with the statutory criteria.

HEALTH INSURANCE:

We come finally then to health insurance. Again, the proposal by the Joint Employer is in keeping with the internal pattern which has been developed to this point and continued by Arbitrator Fletcher in the Department of Corrections Award. This Employer, like most other Joint Employers', has been subject to horrendous health care insurance increases. The proposal that will go into effect December 1, 2007 provides for relatively modest changes in the overall health care program. The employees of the Joint Employer have enjoyed an outstanding insurance program for many years. In addition, the past record of this unit shows that any changes in the Health Insurance program could be delayed as much as two or more years into the next contract. This would have the effect of creating a special Heath Insurance program for this small group. The Arbitrator finds nothing in the record of this case

which supports the status quo and much support particularly among the internal comparables as to the Joint Employers' health insurance proposals and those proposals will be made part of the final award.

AWARD

Under the authority vested in the Arbitration Panel by Section XIV of the Illinois Public Employees Labor Relations Act the Arbitrator finds that the proposals which most nearly comply with Sub-Section XIV(h) is the Joint Employers' offer.

Dated at Chicago, Illinois this 3rd DAY of February 2007

Raymond E. McAlpin, Arbitrator

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