IN THE MATTER OF ARBITRATION	
BETWEEN	**ARBITRATION AWARD:** ILLINOIS STATE LABOR RELATIONS BOARD CASE NO. S-MA-04-274 TAYLORVILLE POLICE DEPARTMENT
CITY OF TAYLORVILLE	
AND	
POLICEMEN'S BENEVOLENT LABOR COMMITTEE	Before Raymond E. McAlpin, Neutral Arbitrator

APPEARANCES

For the Union: Teresa Phillips, Sr. Staff Attorney PBLC
Teresa Heisel, Labor Representative PBLC

For the Employer: Jill D. Leka, Attorney
Elizabeth Schaefer, HR Manager

PROCEEDINGS

The Parties were unable to reach a mutually satisfactory settlement of their negotiations covering the period 2004 - 2008 and, therefore, submitted the matter to arbitration pursuant to the Illinois Public Employee Labor Relations Act. The hearings were held in Taylorville,

Illinois on October 18, 19, and December 8, 2005. 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 March 24, 2006.

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.

ISSUES

UNION	EMPLOYER
Section 26.04 Officers who are currently employees of the Taylorville Police Department must reside within 20 miles of the Christian County Courthouse as the crow flies. Officers hired after July 1, 2004 must reside within 20 miles of the Christian County Courthouse as the crow flies no less than ninety (90) days after his/her probationary period is completed.	Status Quo
Section 26.04 (a) Employees hired after the effective date of this agreement shall become city residents within ninety (90) days after the completion of their probationary period. Failure to become and remain a resident of the city shall result in immediate termination. (b) Employees who are city residents shall maintain city residency during the term of employment or be subject to immediate termination.	

The Parties reached agreement on all remaining issues but residency during the hearing process.

UNION POSITION

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

Taylorville is a community spanning approximate eight (8) square miles with a population of 11,400 in the center of a 709 square mile county of Christian. Taylorville is the largest municipality within the county by far. There are twenty (20) officers in the bargaining unit. The initial contract in 1987 contained a residency provision. During the negotiations for the 2000 contract the Parties could not reach an agreement on the residency language and it was deferred to the 2004 negotiations. The initial proposal was residency with sixty (60) miles. There were a number of other proposals made including a radius of twenty (20) miles. The City never provided an on-the-record counterproposal. At no time did the City give any firm reasons as to why it was against this proposal, basically stating it was a tough issue with political, operational and philosophical ramifications. The Union agreed to give up take-home squad cars if residency were expanded. The would, however, note that it was the City's idea initially to allow officers to take home their squad cars.

The Union provided the following reasons for its desire to expand residency:

1. Members must respond and patrol through areas in which they cannot live.
2. Increased safety and decreased stress for officers and their families by not requiring them to live in close proximity to those they are sometimes forced to arrest.
3. Opportunities to reside in a more affordable, unincorporated area.
4. Agreed upon comparable communities support an expansion of the residency requirement.

At some point during the negotiations the City decided that the Union needed to give a quid pro quo in return for a loosened residency requirement. That would be for the members to pay a greater portion of their health insurance premiums. The Union has always believed that residency is not a breakthrough issue, and no quid pro quo was required. The Union made a number of alternative proposals. The Parties agreed to a temporary fix that would be the City's agreement to expand residency to 6 ½ miles from the courthouse if the Union agreed to accept the City's proposed insurance premium increases. The package was voted down, and it was this compromise residency agreement that was a main sticking point.

The Parties have agreed to the following comparable communities for the purposes of this hearing only: Canton, Centralia, Clinton, Lincoln, Paris, Rantool and Washington. The Parties have agreed that the issue of residency before the Arbitrator is a non-economic issue.

The City made an attempt to convince the Arbitrator that the burden of proof in this case rests with the Union, as it is the Union that is trying to change the status quo residency requirement. Arbitrator Harvey Nathan characterized the burden in a different manner which the Union argued does apply in this case. The existing system has presented equitable problems for the Union. An officer with a Taylorville mailing address who lived one mile outside city limits was required to move in with his parents while he was making an effort to sell his home. If the officer had not been able to stay with his parents, this would have created a hardship for the Employer as it had spent a

substantial amount of money on his training. In addition the Employer has resisted attempts at the bargaining table to address this problem. No meaningful discussion were had in a period of approximately five months. The Union made every effort to offer modified contract proposals and counteroffers.

The Union further argued that this is not a status quo case as the deferral language in the 2000-2001 contract is worded in such a way that both final offers seek to change the status quo. The only requirement that kept the officers within the city limits during the term of the 2001-2004 Collective Bargaining Agreement was the historical city ordinance over which the Union had no bargaining authority. In addition Arbitrator Goldstein ruled that status quo change factors do not apply to a residency question arising for the first time in negotiations after the Illinois General Assembly changed the main public sector bargaining law. The residency proposal should be considered as if it had been presented as an issue for the initial Collective Bargaining negotiations. The history here is very similar to that in the South Holland case. In that case the attorneys representing South Holland made the traditional status quo arguments. The Arbitrator stated that the failure of give and take at the bargaining table does not require maintenance of the status quo. There was no clear evidence that the pre-1998 residency clauses in the Laborers' Collective Bargaining Agreements were made at arms length or as a result of tradeoffs between the Parties. Arbitrator Goldstein reiterated that neither Party should get something for free or without good cause shown or obtained something that it could not reasonably be expected to obtain if it could strike. Therefore, the Union's proposals should be treated as if the Parties were making a new contract. Other arbitrators have followed similar precedent.

The Employer tried to convince the Arbitrator that it actually negotiated residency at arms length in a 1997-2000 Collective Bargaining Agreement, providing Exhibit 97 to support this assertion. The Union argued that Exhibit 97 does not support the assertion and that Section 1 should not be given any consideration. The Union would note that the Employer provided no hard evidence as to its assertions nor were any witnesses or written documents provided. Arbitrators have found that significant evidence needs to be provided to show that there has been a quid pro quo in the past.

The evidence in this case shows that the 2004 Collective Bargaining Agreement was the first occasion for arms length bargaining of the residency issue. In fact the Union made alternative proposals each of which contained a quid pro quo. The Employer may argue that, since the Parties agreed to leave the health insurance at status quo, this should also apply to the residency requirement. It was not an option given to the Union during negotiations, so there is no way to know how the Union would have addressed this.

The Union bases its arguments on Factor 3 which is a criterion under the Illinois Public Labor Relations Act (reproduced above). There are strong equitable reasons on behalf of the Union and an absence of any valid police operational arguments against a change in the residency rules.

The Union argued that officer safety is recognized as a public interest criterion. Officers testified as to the difficulties for law enforcement officers to maintain city limits residency. Officers

and their families have been harassed by individuals that they have arrested. The types of harassment testified to by the officers were of a very serious nature.

Officers cannot live where they must respond and they desire to have alternative housing opportunities. The case of Officer Thomas was noted above. Officers are forced to live in areas with higher tax rates and are prevented from raising their children in a rural setting. The Employer prohibits officers from living in areas that are less expensive than Taylorville. The Union argued that residency requirements limit the pool of applicants. Although there may be a sufficient quantity of applicants, what about the quality of applicants? The Union noted that the quality of applicants would increase significantly if residency limitations were abolished.

The Employer argued that citizens feel better when police officers reside in the community. This matter was addressed in the City of Nashville Police Interest Arbitration. The "proofs" provided by the Employer were basically the feelings of a few within the community. Arbitrators have found that these feelings by the community, even if proven, would not overturn the needs of the officers.

The Employer argued that there would be an economic and social impact on the Employer if officers were allowed to move out. The City of Taylorville is the only municipality of any size in the entire county. The county is 709 square miles. Many residents of the 20 mile radius shop in Taylorville. Residents of Taylorville shop in Springfield and Decatur occasionally. It is often more convenient for individuals to shop in the community in which they work rather than the one in which

they live.

The Employer also argued that expanding residency would negatively impact the property taxes. There is no evidence that there would be a mass exodus that the Employer fears. Members cannot afford to leave their residences within the city limits without selling them first. There is no proof that the Employer loses property taxes even if someone else buys the property. The Employer does have a legitimate concern over increased gasoline costs if officers are allowed to take their squad cars home. However, it was the City Council that decided to allow this to occur, and the Union has indicated its willingness to give up take-home squad cars in exchange for expanded residency. The Employer offers incentive for businesses to locate in Taylorville but the Employer never offered any incentives to the Union to entice its members to maintain residency within the city limits.

The Employer also argued operational necessity. The Employer never stated in negotiations that it required a certain response time. The 20-mile 30-minute response time is not unreasonable. There is no requirement that an off-duty officer who is on call remain within the city limits. An officer could be in Springfield, St. Louis or Chicago when called to work. In addition the Union would ask that the Arbitrator ignore Employer Exhibits 58 and 59. These are boilerplate reasons which appear in numerous arbitrations. There was no testimony that any official of the Employer participated in the preparation of those exhibits. If residency was so important, the mayor should have attended some negotiating sessions and expressed his feelings. The bottom line is that the Employer fears that there may be a public backlash resulting in loss of revenue or loss of votes to

elected officials.

The residency requirement should be relaxed based on criterion 4 which is internal and external comparability. The Employer will no doubt that internal comparability favors its position since strict residency has not been relaxed for any other bargaining units. Most arbitrator have been reluctant to place much weight on internal comparability arguments in residency cases. A number of citations were provided. The Union would note that the City Council told the AFSCME negotiating team that other units would get expanded residency if the police or firefighters got it. Based on these representations, AFSCME removed this from the bargaining table. In any event the residency issue is different for police officers than it is for other units.

With respect to external comparability all seven (7) communities allow expanded residency for their police officers. Two have no residency requirement whatsoever. For the remaining comparable communities the limits range from ten (10) to twenty (20) miles. The Union's final offer in this case falls squarely in the middle of the comparable communities. The Arbitrator should give no weight to the Employer's exhibit as it pertains to non-stipulated comparable communities. Even among those half allow for expanded residency. The residency requirement should be relaxed based on Factor 8, which is traditionally called the "other factors criterion." Of the twenty-six (26) awards given in the State of Illinois regarding expanded residency, twenty (20) have expanded residency beyond city limits. Of those that did not, five of the six cases are distinguishable from the instant case. The remaining twenty (20) show that the prevailing trend is to expand residency requirements for public employees.

Based on the above, the Union argued that an award favorable to its position should issue, and the Union's final offer should be accepted.

EMPLOYER POSITION

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

This interest arbitration has been reduced to one issue. The Union originally asked for an expansion of the residency area to a sixty (60) mile radius from city limits. It has reduced its proposal to a twenty (20) mile radius which is still a substantial modification. Residency is not an economic item, therefore, the Arbitrator is not bound under Section 14(g) of the Act to select either of the Parties' final offers. It would be inappropriate to fashion an award that deviates to any degree from the Employer's proposal and offers either a marginal concession without a corresponding quid quo pro. Such an award would have further repercussions in negotiations with the Employer's other represented groups whose benefits historically have matched those of the police officers. Other bargaining units may be under the mistaken impression that this Arbitrator's award will apply *de facto* to all represented city employees, therefore, the only appropriate award would be to adopt the Employer's final proposal in its entirety.

The Employer has three groups of represented employees - the PPLC group, the firefighters represented by the IAFF, and an AFSCME wall-to-wall unit of blue and white collar employees.

The Employer would note that it has never proceeded to interest arbitration prior to this proceeding and has never had a strike by represented non-protective service employees. The Employer has generally followed a pattern with its represented and non-represented employees. The police unit tends to be the leader group. The only major difference would be for non-represented employees and health insurance compensation.

There is no reason for employees not to want to reside within Taylorville. It is a good community with decent schools and many housing options from older neighborhoods to newer housing on large lots. As compared to comparable communities, the city ranks well in terms of number of police per resident, crime statistics and other indices.

The Employer has residency ordinances in place for all employees for at least four years. The represented groups have negotiated changes in the requirements set forth by ordinance during that time. All three represented groups have coordinated contract provisions that require residency within city limits within twelve months of hire. City officers who require technical training or knowledge are exempted from the residency ordinances.

The Union has sought to change residency requirements at least three times. In 1997 the General Assembly amended the Illinois Public Labor Relations Act to require bargaining over residency for protective service employees. During the 2000-2004 contract negotiations both sides had a number of sticky issues. In the end the Employer's proposal on review of discipline and the Union's proposal on residency fell by the wayside. The Parties agreed to language that allowed the

Union to raise the issue of residency in future negotiations. The Employer agreed since the residency requirement would remain in effect.

During this round of negotiations the Employer reached agreement with both the IAFF and AfSCME. Both groups decided that an increase in health insurance contributions, which the Employer established as the quid pro quo, was a bigger tradeoff than they were willing to take. During the police negotiations the Employer perceived residency as something the Union should pay to change, not that the Employer should pay to keep. The Employer was always willing to offer a relaxation of residency in exchange for greater employee contributions to insurance. The City Council did consider other possible trades but rejected them as insufficient.

The Parties reached a tentative agreement which included a relaxation of the residency requirement to 6.5 miles from the Christian County Courthouse. The Union membership rejected this tentative agreement. The Union suggested that, if the Employer would pay the entire health insurance premium for dependent coverage, it would drop the residency proposal.

The Employer made numerous arguments in favor of the current residency policy. Residency facilitates greater familiarity with the community and knowledge of community safety concerns and law enforcement problems. The expansion of residency would bring new burdens, especially financial ones, to bear on the Department. This would mean increased gas costs for take-home cars or ride to work programs, increased wear and tear on city vehicles and increased maintenance costs. In addition officers eligible to receive overtime pay for call backs would be paid

when they call or radio in that they are on their way. The further away they are, more costs would be incurred. Residents feel safer when police live in the community. Visibility of police is important in helping community members feel safe. Police officers serve as role models, not just when in uniform but as individuals involved in community activities. Residents have stated that they want their officers to live in the community. The Employer is hard at work to bring business in, to retain jobs and residents and to expand the city. The Employer is committed to making itself a community where people want to live, buy homes and raise children.

The Union seems to rest on three points: the fact that officers have to patrol outside of limits in which they are unable to reside; officers are harassed at their residences; and the inconvenience to employees of having to move into the city. The Employer would argue that it has not had any difficulty recruiting officers. The Union submitted a survey purporting to demonstrate that the public does not feel strongly that police officers must have residency requirements. This, however, is at odds with the feelings expressed by the public in Taylorville.

It is true that Taylorville police officers must patrol unincorporated areas and pass through other unincorporated areas on the way to patrol within their jurisdiction. Unincorporated areas are under the primary jurisdiction of the County Sheriff. Officers only respond to calls in those areas pursuant to a mutual aid agreement. Officers do not have a regular beat that includes patrolling unincorporated areas. The Employer would note that officers do not even make arrests in those areas but hold suspects until an officer from the jurisdiction arrives.

Regarding the issue of harassment, the testimony given at the hearing was not enough to change the status quo. Moreover, whether in or out of city limits, officers are still obligated to report crimes off duty. Being sworn officers they are on call 24 hours a day. Moving out of town is no guarantee that the officers will not be found or retaliated against, particularly in a small community. Finally, regarding the inconvenience of the residency requirement when officers are forced to sell their houses outside of the city limits, there was no testimony in the record demonstrating this hardship.

The Parties agreed on comparable communities for the purposes of this proceeding only. They are: Canton, Centralia, Clinton, Lincoln, Paris, Rantool and Washington.

The negotiated status quo must be presented since the Union has failed to demonstrate a substantial and compelling justification in support of its expanded residency proposal. The current requirement is the result of meaningful negotiations. The Parties have bargained two contracts since the Act was amended to require bargaining over residency. The record shows that the Employer made concessions in other areas in order to divert a change in the residency requirement. The status quo was reinforced in the negotiations for the 2000-2004 contract. The Employer made a tradeoff for continued residency by rolling the value of retroactive pay into the wage schedule.

The Union may argue that there is no status quo because of the language in the 2000-2004 Collective Bargaining Agreement. Deferral language is inconsequential since the Employer believed that it already bargained to retain residency. This case is differentiated from other cases in which arbitrators have relied on a re-opener provision to avoid finding a negotiated status quo. This

language contemplates simply that the Parties revisit the issue along with any other issues when the contract expires. Therefore, this language does not undermine or modify the negotiated status quo. The Parties over the years have demonstrated a willingness to entertain proposals and to make counter-proposals. They simply have been unable to reach an agreement on this single area of the agreement.

Based on the above the burden of proof here falls on the Union, yet in Illinois interest arbitrators have jumped through hoops to avoid placing the burden of proof on unions in residency cases. None of the circumstances noted by arbitrators have been presented in this case. A long and successful bargaining history on this issue sets this case apart from others. Officers have twice negotiated for expansion of residency and twice voted on contract settlements that continue the existing requirement.

The Union has not established a compelling reason for change in the residency requirement. The Union must prove that the old system has not worked as anticipated when originally agreed upon, that the system or procedure has created additional hardships or equitable or due process problems for the Union, that the Party seeking to maintain the status quo has resisted attempts at the bargaining table to address these problems. In Taylorville the residency requirement works. Police officers contribute to make Taylorville a good place to live. If police officers move out of the community, there could be severe consequences. The residents of Taylorville know that this requirement has existed for a long time and it should be continued.

The residency requirement does not present equitable problems for the officers since they knew of the requirement before pursuing and accepting employment with the Employer. Presumably, they weighed the various pros and cons and concluded that employment with the Employer was a desirable outcome. All city employees are treated equitably and equally, an argument that limitation of free choice has been rejected by other Illinois interest arbitrators.

Finally, the Union must establish that the Employer resisted efforts to address the matter at the bargaining table. The Employer would note that the Parties actually negotiated a change in the residency requirement. The bargaining unit rejected that proposal since it did not go far enough in exchange for the quid pro quo that the Employer was seeking. The Employer has provided the Union with reasons for retaining residency during the contract talks. The reason that the Parties are at interest arbitration is the Union was dissatisfied with the price to be paid. To award the Union's final offer would be to give the Union something for free with detrimental consequences for future negotiations.

The statutory criteria support the maintenance of the status quo. The interest and welfare of the public is supported by the continuation of the residency requirement. The equitable interest of the officers was not sufficiently proven at the hearing, and the harassment arguments did not involve any violence or any destruction of personal property. Thus, this behavior did not rise to the level required in other interest arbitration decisions. It is interesting to note that officers did not identify any other concerns that would be alleviated by the expansion of the residency requirement. Driving through areas in which they cannot live in no way creates a hardship to the officers. The same is true for other city employees. Balanced against the officers' personal preference to reside in a larger

area is more than offset by operational benefits and departmental issues associated with residency. Officers play an important role in community life and by living in the community they get go know the community. In addition law enforcement expertise is readily available. The Union's proposal would not even require that officers live in Christian County. Officers could reside in any of four other counties. The Employer is concerned by the ability of off-duty officers to respond to calls in a timely manner. In addition to the above there are other financial burdens to the Employer. There was substantial evidence at the hearings that citizens of Taylorville want their police to be residents of Taylorville. Officers support the local economy by shopping in Taylorville on a day-to-day basis. It gives the community a sense of safety and security. This evidence is certainly more relevant than the national phone survey relied upon by the Union.

The Parties for purposes of this hearing alone agreed to external comparables. Those comparables show a hodgepodge of provisions with only one jurisdiction having as liberal requirement as the Union is seeking. Other jurisdictions may have more expansive residency requirements. There was no information as to the history of those communities in order to make an assessment as to whether the changes in residency had a negative impact. There was no evidence in the record to show the residency requirements of other employees within those jurisdictions. Therefore, the external comparables are really not all that comparable. The factor does not tip the scale toward the Union's final offer.

The internal comparables warrant the maintenance of the status quo. The history of the uniformity among the Employer's represented groups is undisputed and significant. The Employer

has always approached negotiations with a goal for uniformity, and this has been achieved particularly in the are of residency since no employee group has been exempted. This has been the case for firefighters who negotiated the issue after residency became a mandatory subject and AFSCME who has always had the right to strike. Both groups traded the residency requirement for the current health insurance. The continuance of residency for these groups was based on the same arguments as presented in this case. This degree of uniformity sets this case apart from other residency cases.

Based on public policy considerations the Arbitrator must adopt the Employer's proposal. Interest arbitration is a conservative mechanism. The Parties should not be able to attain in interest arbitration what it could not attain through collective bargaining. Interest arbitration is an extension of the collective bargaining process. If this were not successful, there would be no incentive to negotiate. Instead parties would seek interest arbitration in the first instance. This particularly resonates in this case where the Union has elevated its efforts to attain more in settlement in this process than it has rejected at the table based on a tentative agreement. The fallout in this process is greater because it is a single issue arbitration. Other groups have agreed to the residency for a change in the insurance proposal. The record shows that Parties have shown an ability to resolve issues at the bargaining table, hammering away at them over time and making strides with each contract settlement. The 40-year history of this provision has significant value and modifying it carries a significant cost to the Employer, and the Employer was not just going to give it away. The Employer drove a hard bargain and demanded a significant quid pro quo from this and other unions within its jurisdiction. The Parties will work to resolve the issue of residency over time as the record

shows that bargaining works for these Parties.

If the Union would demonstrate a substantial compelling justification supporting its residency proposal, the Union has failed to offer the necessary quid pro quo to support its proposal. This principle has been supported by many interest arbitrators. The record in this case shows two key guides as to what the Parties would have likely agreed upon. The Parties did reach an actual agreement on residency in exchange for increased health insurance contributions. Unfortunately, that deal was rejected. The Employer's other represented employees elected to retain the current city health insurance contributions and forego the residency requirement. The Parties have closed the door to any increase in employee insurance contributions for the contract term, therefore, there is no significant quid pro quo. Interest arbitration does not permit the Union to get through interest arbitration a major concession on an issue of such importance. This Arbitrator must not give the Union residency proposal for free.

Based on the foregoing, authorities and arguments, the Employer submits that the Arbitrator must accept the Employer's final offer on the issue in dispute.

DISCUSSION AND OPINION

The role of an Arbitrator in interest arbitration is substantially different from that in a grievance arbitration. Interest arbitration is a substitute for a test of economic power between the

Parties. The Illinois legislature determined that it would be in the best interest of the citizens of the State of Illinois to substitute compulsory interest arbitration for a potential strike involving security officers. In an interest arbitration, the Arbitrator must determine not what the Parties would have agreed to, but what they should have agreed to, and, therefore, it falls to the Arbitrator to determine what is fair and equitable in this circumstance. The statute provides that the Arbitrator must pick in each area of disagreement the last best offer of one side over the other except under the circumstances of this case. The Arbitrator must find for each open issue which side has the most equitable position. We use the term "most equitable" because in some, if not all, of last best offer interest arbitrations, equity does not lie exclusively with one side or the other. The Arbitrator is not precluded from fashioning a remedy of his choosing. He may 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.

It has been noted that Arbitrators have more latitude when dealing with "non-economic" proposals. This Arbitrator has found over the years that the line between economic and non-economic is very blurred. An effective argument can be made that most of these "non-economic" proposals can and do have economic consequences. In addition, interest arbitration is set up to encourage voluntary settlement. This Arbitrator has concluded that in the absence of the most extraordinary circumstances it is the Parties that should determine their respective proposals either of which would then be included in the Agreement.

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

In this matter the Union is not asking to eliminate the residency requirement completely but to expand it to a 20-mile radius from the courthouse in Christian County. Of the statutory criteria

(reproduced above) upon review of the evidence in this matter and a review of the statutory criteria, the Arbitrator finds that only criteria 3, 4 and 8 would have any probative and determinative value in this matter.

With respect to interest and welfare of the public, the Employer did provide some evidence that members of the community would prefer to have police officers reside within the city limits. The Union provided evidence that the morale of the bargaining unit would be increased appreciably by relaxation of the residency requirements. While the Arbitrator has some doubts as to the feelings of the average citizen of Taylorville, it is to the city's advantage to have a group of employees whose morale is as high as possible. However, after reviewing the evidence in this matter the Arbitrator finds that this criterion is not determinative.

Regarding criterion #4, the Employer relies to a great extent on its internal pattern. This Arbitrator has consistently found in a number of arbitration decisions that internal comparables generally are not directly comparable to police units with the possible exception of firefighters. These units are involved in public safety and are often put at great personal risk in carrying out their assigned duties. This Arbitrator has always found that clerical units, court units, Department of Public Works units, etc. are not directly comparable to police units. The Arbitrator does not believe that the AFSCME wall-to-wall unit has enough in common with this police unit to be in any way directly comparable. The Arbitrator does note that the residency requirement continues (there is some distinction with the fire district and the police residency) to exist for the firefighter unit and to that extent it favors the Employer's position. With respect to the external comparables, the

record shows that among the agreed upon comparables a change in the current residency requirements would be favored. Many of the external comparables have relaxed residency requirements although some to a somewhat lesser extent than the Union is requesting in this matter. The Arbitrator does note that two of the comparables do not have residency requirements at all. What is not shown is how those provisions came about and whether there was a quid pro quo for their current residency requirements or lack thereof. Also not shown is the effect if any on the respective communities. In any event the evidence, such as it is, does somewhat favor the Union's position.

We come then to criterion #8, "other factors." During the course of the negotiations for this contract the Parties did reach a tentative agreement on a relaxation of the residency requirements in exchange for an insurance concession by the Union. The bargaining unit determined to reject this agreement, and it is not hard to understand why. For a relatively small increase in the residency area the bargaining unit was asked to agree to a major economic change in the insurance contribution area. The Arbitrator believes that a change in the residency requirement would probably affect relatively few bargaining members since they would then have to sell their homes within Taylorville, uproot their families, buy another home in an area outside the city limits but within the residency area and move; whereas the insurance contribution change would affect most employees rather dramatically. The Employer provided a number of reasons as to why it wishes to continue the current residency requirement. Those were provided during the hearings in this matter and in the Employer's brief. However, when all is said and done, the Employer was willing to sell residency to all of its bargaining unit groups for increases in health insurance contributions trading basically a

non-economic item for a significant economic concession. This Arbitrator believes that this is not what is meant by a quid pro quo.

In addition the take home squad car is really up to the Employer. It is the Employer that has determined that this is to its advantage if an employee would move out of the city limits, the Employer could then change its policy with respect to those individuals as long as it did so on a consistent basis.

The Union argued that this is not a status quo situation since there was some agreement to revisit this provision contained in the last contract. The Parties may discuss any issue and must discuss mandatory issues. The Arbitrator would note that each side is free to make whatever proposals it desires. The facts are that the status quo currently is that, except for the grace period provided for new employees, bargaining unit members must live within the city limits, and all of the requirements for the change in the status quo do apply as noted above. The deferral does not eliminate the status quo. Even given the above that this would constitute a change in the status quo, the Union has made some persuasive arguments as to why a change is appropriate. Those are contained on page 5 of the Union's brief.

This case has much comparability to that which the Arbitrator found in the Nashville award of April 25, 1998. The external comparables favor the Union. The Union is not asking to eliminate the residency rule. The residency rule was originally codified when a union was not able to mandatorily bargain this aspect of the Collective Bargaining relationship. The main difference

between Nashville and Taylorville is that the Union is asking for a twenty (20) mile radius. This is particularly troubling to the Arbitrator because of the Employer's raising of the issue of response time. This Arbitrator in particular has had some personal experience in trying to navigate around the Taylorville area during inclement weather. Therefore, the Arbitrator finds that both sides' positions are somewhat indefensible. The Arbitrator, however, is very reluctant to fashion an award based on this record that would be somewhere in between the Parties' respective positions.

The Employer argued that it has the ability with this bargaining unit and the bargaining unit representative to resolve this issue amicably and voluntarily, and it points to successes they have had in doing just such things in the past. The Arbitrator will take the Employer at its word since what the Employer proposed and the Union proposed is more than is justified by the record. For example the Union did not fully justify its position of Officer safety and the Employer did not fully justify its claim of recruiting success. The Arbitrator will give the Parties an opportunity to resolve this matter during the next negotiations and will find that, at least for the time being, a change in the status quo has not been fully justified mostly based on the large area that the Union wishes to incorporate into the residency area.

AWARD

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

Dated at Chicago, Illinois this 23rd of April, 2006

Raymond E. McAlpin, Arbitrator

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