

**INTEREST ARBITRATION
BEFORE
STEVEN BRIGGS**

In the Matter of Interest Arbitration)	
Between)	
)	
VILLAGE OF LAKE ZURICH,)	
)	
Employer,)	Interest Arbitration
)	on Unresolved Economic
)	and Non-Economic Issues
and)	
)	
FRATERNAL ORDER OF POLICE)	
LABOR COUNCIL)	
)	
Union)	

STIPULATED INTEREST ARBITRATION AWARD

On November 8, 2005 the Village of Lake Zurich ("Employer") and the Fraternal Order of Police Labor Council ("Union") notified the undersigned of his selection to serve as Interest Arbitrator in the above-captioned matter. The Arbitrator subsequently met with the parties on March 31 and April 20, 2006, to mediate the issues in dispute. As a result, all outstanding issues were resolved. This Stipulated Award, issued with the parties' permission, incorporates those mediated issues and several items the parties resolved prior to mediation.

1. Article XI, Section 1 (Salaries) -- Increase salary schedule across-the-board as follows:

- Effective July 1, 2005 -- 3.5%
- Effective July 1, 2006 -- 4.0%
- Effective July 1, 2007 -- 4.0%

Employees still on the active payroll as of the date of the issuance of this stipulated award shall receive retroactive payment, including any

employee who was promoted to a supervisory rank. Payment shall be on an hour for hour basis for all hours worked since July 1, 2005. In addition, any employee who retired after July 1, 2005, but before issuance of this Stipulated Award shall also receive retroactive pay based on hours worked after July 1, 2005.

2. Article XI, Section 7 (Officer-In-Charge) -- Add the following new section:

Section 7. Officer-In-Charge. An officer who is assigned to serve of an Officer-In-Charge for less than half of a shift shall receive an additional one-half hour of pay at time and one-half the employee's regular straight time hourly rate of pay. An officer who is assigned to serve as an Officer-In-Charge for more than one-half of a shift shall receive an additional hour of pay at time and one-half the employee's regular straight time hourly rate of pay.

3. Article XII, Section 1 (Hospitalization, Medical Insurance Coverage) --
Revise as follows:

Section 1. Hospitalization, Medical Insurance Coverage. The hospitalization, medical insurance program in effect when this Agreement is ratified shall be continued during the term of this Agreement, i.e., July 1, 2005 to June 30, 2008 (specifically including the changes implemented June 1, 2005 with respect in co-pays, deductibles, reimbursement for being out of network, out of pocket maximum for being out of network, etc.). Employees may select single, single plus 1, or family coverage in one of the health program offered by the Village during the enrollment period established by the Village. Effective May 1, 2006 and retroactive to said date, the employee shall pay the following amount of the premium or cost for single, single plus one, or family coverage, whichever is applicable, if the employee selects the Village's group hospitalization and major medical insurance program and said amount shall be deducted from the employee's paycheck:

<u>Coverage Selected</u>	<u>Amount</u>
Single	\$32.75 biweekly
Employee plus 1	\$59.00 biweekly
Family	\$82.62 biweekly

NOTE: The pending health insurance grievance shall be considered settled on the basis of the terms of the foregoing resolution of the health insurance issue.

4. Article XII, Section 5 (Life Insurance) -- Effective first full month following issuance of this Stipulated Award, increase life insurance amount to \$75,000. Some or all of said coverage may, at the Village's discretion, be self-insured.
5. Article XII, Section 7 (Health Insurance Committee) -- Within three months after issuance of this Stipulated Award, the Village will establish a Village-wide health insurance committee consisting of Village representatives, which may include representatives from other bargaining units, and not more than two employees selected by the bargaining unit. The purpose of this committee is to review health insurance coverage options, make recommendations for cost-saving revisions to existing coverage, study new or replacement benefits, claims administration, and the like. Prior to making any significant changes to the Village's health insurance program, the Village will review the proposed changes with the committee and review any comments made by members of the committee. The Village will notify the Union of any changes made to the Village's health insurance program at least 30 days prior to the effective date of said changes.
6. Article VIII, Section 11 (Holidays, Personal Days) -- Effective first pay period following issuance of this Stipulated Award, add President's Day to the holidays that are paid at double time.
7. Article XIV, Section 8 (Quartermaster System) -- Status quo, except increase carryover amount to \$250.
8. Article XIV, Section 19 (Establishment of a Pilot Physical Fitness Program) -
- Add the following new Section 19:

Section 19. Establishment of a Pilot Physical Fitness Program. Upon issuance of this Stipulated Award, the parties will meet to work out the details, standards, and time table for implementation of a pilot physical fitness program. If an overall agreement on the details, standards, and time table for implementation of a pilot physical fitness program is not reached by December 1, 2006, either party may invoke interest arbitration before Arbitrator Steven Briggs.

9. Article VIII, Section 12 (Compensatory Time) -- Add the following new sentence at the end of the first paragraph:

Employees cannot schedule or take compensatory time before it is actually earned. Compensatory time shall not be deducted from an employee's compensatory time bank until it is actually taken.

NOTE: The pending compensatory time grievance shall be considered settled on the basis of the terms of the foregoing resolution of the compensatory time issue.

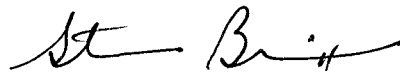
10. Appendix "A" (Sick Leave Buy Back Incentive) -- Add the following new Paragraph:

The foregoing sick leave buy back program availability is determined on a yearly basis by the Village Administrator. Availability is determined by the financial condition of the Village to provide this program. This program is administered on a Village-wide basis; the program will be available to all Village employees or none. The Village will identify each fiscal year (by October 1st) if the program will be in place for that year.

11. Duration and Term of Agreement (Article XVII) -- Three years through June 30, 2008.
12. Incorporation of Previously Agreed to Items -- All previously agreed to and initialed items shall be incorporated in the parties' new collective bargaining agreement.
13. Retention of Unchanged Provisions from 2002-2005 Agreement -- All provisions of the parties' 2002-2005 collective bargaining agreement which have not been amended, modified or changed by the parties, including the attached appendices and side letters, shall be retained in the parties' new collective bargaining agreement.
14. Status of Other Proposals -- All other proposals submitted by either party during the course of negotiations are specifically dropped.

As requested by the parties, the Arbitrator hereby retains jurisdiction in this case for sixty (60) days from the date below to hear and decide any dispute which may arise between the parties concerning the application and/or interpretation of this Stipulated Award, or its incorporation into the parties' 2005-2008 collective bargaining agreement.

Signed by me at Hanover, Illinois this 24th day of April, 2006.



Steven Briggs