

## MEMORANDUM OF AGREEMENT

This Memorandum of Agreement is entered into this 18<sup>th</sup> day of March, 2005, between DeKalb County ("Employer") and AFSCME, Council 31, Local 3537 (the "Union") with respect to the collective bargaining agreement covering the employees who perform services in the covered positions set forth in Article I, Section B of the parties' collective bargaining agreement. After good faith bargaining concerning these issues, it is agreed that:

1. The collective bargaining agreement in effect from December 1, 2002 to November 30, 2004, shall continue in full force and effect, except as modified below.

2. The term of the collective bargaining agreement shall be extended by four (4) full calendar years through and including November 30, 2008. All dates contained in the collective bargaining agreement shall be modified to reflect this extension.

3. Article I, *Recognition*, at Section A, shall be revised to reflect the Union's full legal name of "*AFSCME Council 31 for and on behalf of Local 3537*".

4. Article III, *Union Rights*, at Section B, shall be revised to add one (1) Union Steward for the Legislative Center.

5. Article VI, *Labor Management Meetings*, the word "International" will be deleted with the understanding that the Union may bring additional AFSCME staff representatives to labor management meetings if needed and appropriate consistent with the remaining terms of that Article.

6. Article XXII, *Dues Check off and Fair Share*, shall be revised to reflect the Union's new business address of "615 South Second Street, P.O. Box 2328, Springfield, IL 62705." Additionally, that section will reflect the Employer's agreement to electronically transmit a list of bargaining unit employees at the time that the dues/fair share remittance is mailed to the Union.

7. Article XXVI, *Term of Agreement*, shall be amended to confirm the parties' agreement to attempt to resume good faith bargaining for subsequent agreements within 90 days of the termination date of the agreement. Additionally, this Article will be revised to confirm that the party or parties seeking to amend the agreement shall notify the other of their intent no less than 120 days in advance of expiration.

8. Article XVIII, "*Wages*", shall be revised to reflect the following:

*"Effective December 1, 2004, all AFSCME wages and top range amounts will increase 5.5%. Provided, however, no AFSCME employee will receive a net wage increase less than 2.8% effective December 1, 2004 when considering the amount of insurance premium increase he/she will incur effective December 1, 2004 as set forth below;*

*Effective upon ratification of the agreement, all bottom range amounts will be increased 1.9%;*

*Effective December 1, 2005, all AFSCME wages and range amounts will increase 3% ;*

*Effective December 1, 2006, all AFSCME wages and range amounts will increase 3% ; and,*

*Effective December 1, 2007, all AFSCME wages and range amounts will increase 3.75% .”*

*Additionally, effective December 1, 2004, the step plan shall be frozen and the first two paragraphs of existing Article XIX, WAGES, shall be deleted and replaced with the language set forth above in this paragraph #8 of the Memorandum of Agreement.*

9. Article XIX, *Insurance*, shall be modified to confirm the following:
  - a. Section A, *Insurance Coverage*, shall be revised to confirm that: “Effective upon ratification of this Agreement, the Employer will maintain in full force and effect the current health, dental and life insurance plan benefits for all covered employees and their eligible dependents. The current and then applicable summary plan description booklet for such benefits will be incorporated by reference as a general outline of insurance coverage for so long as said plan description booklet accurately reflects the current insurance coverage.”
  - b. Section B, *Insurance Cost*, shall be revised to confirm that: “During the term of this Agreement, the County will continue to pay 75% for the premium cost of employee coverage with the covered employees continuing to pay the remaining 25% of the premium costs. Provided, however, effective 12/1/05, and thereafter for the remaining term of the Agreement, increases to the employee’s premium costs shall be capped at fifteen percent (15%) per year.”
  - c. The following paragraph shall be added to the Agreement within this Article XIX: “By entering into this Agreement, the Union and the affected employees acknowledge and agree that nothing contained in this Agreement will preclude the Employer from changing insurance carriers (or becoming self-insured) and/or reducing the level of insurance coverage(s) to reasonable amounts as determined by consideration of all of the factors involved in the extent of the change and the impact on premiums, etc., as a cost-containment effort or otherwise, where there is a significant business need to do so. Provided, however, before making any adjustments to the coverage(s) or employee amount of premium payments, the Employer agrees to negotiate with the Union representatives on the Insurance Committee. In the event of an impasse in such negotiations, the issue of whether the change of coverage was “reasonable”, as provided earlier in this section, shall be subject to grievance arbitration in accordance with this agreement.”

- d. *Joint Insurance Committee:* The Parties shall establish and maintain a Joint Labor/Management Committee on group insurance benefits (the "Insurance Committee"). The Insurance Committee will consist of two (2) union representatives covered under this agreement, two (2) union representatives from DeKalb Nursing and Rehabilitation Center, and four (4) Employer representatives. The Insurance Committee will study cost containment provisions and it will explore proposals to expand health and ancillary benefits, as appropriate. The Insurance Committee also will review any problems with the claims administration of the current benefit plans, the cost and enrollment of the current benefit plans on a quarterly basis upon advance scheduling at a mutually agreeable date and time. e.
- e. *Administration:* In anticipation of likely changes to the insurance coverage(s) and premium amounts, the Employer agrees to meet and consult with the Insurance Committee members at least sixty (60) days prior to effective date of the insurance renewal to discuss the available alternatives and the anticipated increases in premium amounts. It is understood that, in the event of a grievance regarding this provision of the Agreement, the losing party shall be responsible for all costs and expenses incurred by both parties for the arbitration.
- f. *Buy-Out:* The employees covered by this agreement may choose to participate in the Employer's health insurance buyout plan under the same terms and conditions that apply to other County employees who are not covered by a collective bargaining agreement.
- g. *Claim Disputes:* The extent of coverage under the group benefit policies referred to in this Article shall be governed by the terms and conditions set forth in said policies and plan documents. Any questions concerning coverage shall be resolved in accordance with the terms and conditions in said policy or plan document and shall not be subject to the grievance procedure set forth in the collective bargaining agreement. However, the Employer agrees to investigate any disputes over benefit plan coverage raised by employees and to assist employees in resolving such disputes with the appropriate insurance carrier or Plan Administrator. In addition, the Employer will aggressively enforce any contracts with insurance carriers or plan administrators to assure that employees get the benefits required under the relevant insurance contracts and/or plan documents.
- h. *Insurance Benefits while on Leave:* Will be provided in accordance with the Family and Medical Leave Act of 1993 ("FMLA") as required by law so long as the employee continues to pay his/her portion of the premium payment and otherwise complies with his/her obligations under the FMLA while on leave.
- i. *Insurance Portability:* The Employer will comply with the health insurance portability provisions of the federal Health Insurance


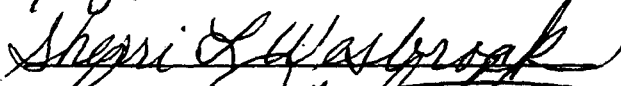

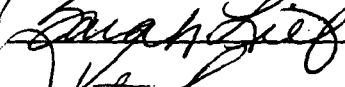
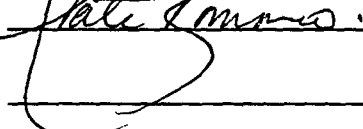
Portability and Accountability Act of 1996, and applicable amendments.

10. *Salary Savings Plan:* The Agreement shall include a new section that reflects the current practices regarding the deferred compensation plan under Section 457 of the Internal Revenue Code. As in the past, the Employer will continue its due diligence and good faith efforts to select a vendor to administer the plan in a manner that is consistent with the parties' mutual effort of providing employees a broad selection of mutual fund and other investment options with a range of risks and returns. The Employer also will continue its practice of requesting that the Plan Administrator provide the covered employees a report of their respective account balances on a quarterly basis and the Employer will encourage the vendor to provide a program of employee education to help employees make informed investment decisions. It is understood and agreed that, in the event of a grievance regarding this section, the losing party shall be responsible for all costs and expenses incurred by both parties for arbitration.
11. Article XVII, *Personal Property and Uniforms*, shall be revised to reflect a clothing increase to \$30 (upon ratification); to \$40 on 12/1/05; to \$50 on 12/1/06; and, to \$60 on 12/1/07. Article XVII, shall also be revised to reflect an increase in the amount of reimbursement for the cost of eyeglasses to \$80 (upon ratification); to \$90 on 12/1/05; to \$100 on 12/1/06; and to \$110 on 12/1/07.
12. Article XVII, at Paragraph 3, shall be revised to increase the current uniform allowance for covered maintenance workers to \$250 (upon ratification); to \$300 effective 12/1/05; to \$350 effective 12/1/06; and to \$400 effective 12/1/07.
13. *Standby Pay:* The current provisions of the Agreement will remain in full force and effect but the weekly compensation amount shall increase to \$95 (effective upon ratification); to \$100 effective on 12/1/05; to \$105 effective on 12/1/06; and to \$110 effective on 12/1/07. *4. Early Retirement Incentive Program:* In the event the Employer elects to adopt such a program, it will provide the Union advance notice prior to implementation of the program.
15. *Military Service Credit:* The Employer agrees to adopt the optional Military Service Credit Program for the IMRF by enacting the IMRF's written resolution regarding this program. It is understood and agreed that this provision cannot be the basis of a grievance.
16. *IMRF Retirement Benefits:* The Agreement will be revised to reflect the Employer's agreement to continue to comply with all applicable laws regarding the benefits, rights and obligations of the Illinois Municipal Retirement Fund provided in the Illinois Pension Code, Illinois compiled Statutes, chapter 40 as amended or superseded from time to time. It is understood and agreed that, in the event of a grievance regarding this provision, the losing party shall be responsible for the costs and expenses incurred by both parties for arbitration.

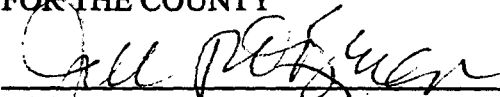
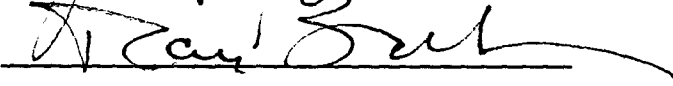
17. Longevity Pay. The longevity pay plan shall remain in place as set forth in the predecessor agreement with no improvements during the term of this Agreement.
18. THE PARTIES AGREE AND ACKNOWLEDGE THAT THIS AGREEMENT AND ITS TERMS ARE NOT FINAL OR BINDING ON EITHER PARTY UNTIL AND UNLESS: (A) IT HAS BEEN RATIFIED BY THE UNION, AND (B) APPROVED BY THE COUNTY BOARD AND OTHER ELECTED OFFICIALS AS REQUIRED BY LAW. BOTH PARTIES RESERVE THE RIGHT TO ADD, SUBTRACT OR DELETE PROPOSALS LISTED ON THIS AGREEMENT UNTIL RATIFIED BY BOTH PARTIES.

Dated: March 18, 2005

AFSCME, COUNCIL 31, LOCAL 3537

  
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FOR THE COUNTY

  
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