

# Request For Board Action

**REFERRED TO BOARD:** June 14, 2021

**AGENDA ITEM NO:** 3

**ORIGINATING DEPARTMENT:** Finance Department

**SUBJECT:** Consideration of a Memorandum of Agreement between the Village of Antioch and the Illinois Fraternal Order of Police Labor Council to Revise Annual Contributions to the Voluntary Employee Benefits Association Plan (VEBA).

**SUMMARY AND BACKGROUND OF SUBJECT MATTER:**

During the 2017 Fraternal Order of Police bargaining unit negotiations, members expressed a desire to participate in VEBA to provide healthcare benefits on retirement. The Plan allows the Village to make pre-tax contributions on behalf of participants. At inception of the plan, members were given the opportunity to opt out; however, this option was irrevocable, and membership remains mandatory for new employees.

The VEBA Plan documents defer to the bargaining unit contract which gives members the right to revise contributions annually.

Currently, the Village contributes the value of accrued sick leave days in excess of 90 days at 50% of base hourly pay on the employee's anniversary date. Bargaining unit members are proposing that this remains status quo for Sergeants and Patrol Officers.

Additionally, at the beginning of each fiscal year, the Village contributes the value of 34 hours of accrued vacation, holiday, and comp time hours at 100% of base hourly rate of pay. The attached MOA requests a change in the annual 34-hour contribution of accrued vacation, holiday, and comp time to a 2% pre-tax contribution of the gross salary of Patrol Officers only. Sergeants will remain status quo.

**FINANCIAL IMPACT:** None

**DOCUMENTS ATTACHED:** Memorandum of Agreement

**RECOMMENDED MOTION:**

**Move to Approve** a Memorandum of Agreement between the Village of Antioch and the Illinois Fraternal Order of Police Labor Council to Revise Annual Contributions to the Voluntary Employee Benefits Association Plan (VEBA).

**RESOLUTION NO. 21-\_\_**

**A RESOLUTION AUTHORIZING AND APPROVING A CERTAIN MEMORANDUM OF AGREEMENT WITH THE FRATERNAL ORDER OF POLICE**

WHEREAS, the Village of Antioch (the "Village") is an Illinois non-home rule municipality organized and operating under the Illinois Municipal Code (65 ILCS 5/1, et seq.) (the "Code"); and

WHEREAS, the Village Mayor (the "Mayor") and the Village Board of Trustees (the "Village Board", and together with the Mayor, the "Corporate Authorities") are committed to the efficient operation of government; and

WHEREAS, the Fraternal Order of Police (the "FOP") has agreed with the Village to enter into a certain memorandum of agreement (the "MOA"), a copy of which is attached hereto as Exhibit A; and

WHEREAS, the Corporate Authorities have determined that it is in the best interests of the Village to approve, enter into, and execute the MOA;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Board of Trustees of the Village of Antioch, Lake County, Illinois, as follows:

Section 1. The proposed MOA with the FOP is hereby approved.

Section 2. The Corporate Authorities hereby further authorize and direct the Mayor, or his designee, to enter into and approve the MOA, or any modifications thereof, and to ratify any and all previous action taken to effectuate the intent of this Resolution. The Village Clerk is hereby authorized and directed to attest to and countersign any documentation as may be necessary to carry out and effectuate the purpose of this Resolution. The Village Clerk is also authorized and directed to affix the Seal of the Village to such documentation as is deemed necessary.

Section 3. Any resolution or portion of any resolution in conflict with any provisions of this Resolution is hereby repealed solely to the extent of such conflict.

Section 4. This Resolution shall be in full force and effect after passage and publication as provided by law.

**APPROVED** this \_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
SCOTT J. GARTNER, MAYOR

ATTEST:

\_\_\_\_\_  
LORI K. ROMINE, VILLAGE CLERK

**EXHIBIT A**

Memorandum of Agreement

This Memorandum of Agreement is between The Village of Antioch (“Employer”) and the Illinois Fraternal Order of Police Labor Council (“Union”), parties to a Collective Bargaining Agreement (CBA) for the years 2020-2024. The parties agree as follows:

Pursuant to the rights granted by Article XIV Section 14.5, the Union has decided by majority vote of the bargaining unit to revise the contributions to the VEBA plan. On an annual basis, the following employee contributions apply:

- 1) Bargaining unit members in the rank of Sergeant shall contribute thirty-four (34) hours of accrued time (can be a combination of compensatory time, held holiday and vacation time) at the rate of 100% of base hourly rate (pre-tax) into the plan, which is afforded, in part, under Section 9.7 of the CBA.
- 2) Bargaining unit members in the rank of Patrol Officer shall contribute 2% of their gross salary (pre-tax), per pay period, into the plan.

Nothing in this Memorandum of Agreement shall negate an employee, upon separation from employment, from being required to contribute all accrued compensatory time, at the rate of 100% of the base hourly rate pay, into the VEBA account, as referenced, in part, in section 9.7 of the CBA.

These contributions shall be mandatory for all bargaining unit members enrolled in the VEBA plan.

As per the sick time contributions listed in Section 10.6, sick time contributions will remain “status quo” in that:

Officers having more than ninety (90) days accumulated sick time at the commencement of this contract shall be required to deposit, at the rate of 50% of base hourly pay, into the VEBA account. After the initial contribution into the VEBA, officers shall be required to deposit into VEBA, all such accumulated excess days annually on their anniversary date at the rate of 50% base hourly pay. Abuse of sick leave by an employee is a serious matter. Abuse of sick leave by an employee constitutes cause for disciplinary action, up to an including termination of employment.

The Employer agrees to make the above contributions into the VEBA plan.

These contributions will take effect on May 1, 2021 and shall remain in effect from year to year until such time as the Union may vote to revise them.

\_\_\_\_\_  
Illinois FOP Labor Council    Date

\_\_\_\_\_  
Village of Antioch                      Date