

**SIDE LETTER AGREEMENT EXTENDING THE DURATION OF THE
COLLECTIVE BARGAINING AGREEMENT AND ADDITIONAL AMENDMENTS**

This Side Letter Agreement is entered into by and between the VILLAGE OF VERNON HILLS (“Village”) and the ILLINOIS FRATERNAL ORDER OF POLICE LABOR COUNCIL (“Union”) this 26th day of May, 2025.

WHEREAS, the Village and the Union are parties to a collective bargaining agreement that establishes the wages, hours and other terms and conditions of employment of sworn patrol officers and sworn sergeants, with a term that commenced on May 1, 2022 and which expires on April 30, 2026 (“Agreement”); and

WHEREAS, the Village and the Union desire to extend the term of the Agreement by two years, to provide for various adjustments to wages, to amend compensatory time provisions, to incorporate the language from a previous Memorandum of Understanding regarding overtime and to incorporate the amended language from a previous Side Letter Agreement regarding an HDP insurance plan.

NOW, THEREFORE, the Village and the Union agree as follows:

Section 1. Section 19.1 of the Agreement, entitled “Wage Schedule,” is hereby amended as follows:

Section 19.1 Wage Schedule

Effective May 1, 2022, patrol officers shall receive a 3.25% increase and sergeants shall receive a 3.25% increase. Effective May 1, 2023, patrol officers shall receive a 3.25% increase and sergeants shall receive a 3.25% increase. Effective May 1, 2024, patrol officers shall receive a 3.0% increase and sergeants shall receive a 3.0% increase. Effective retroactive to May 1, 2025, patrol officers shall receive a 3.5% increase and sergeants shall receive a 3.5% increase (in lieu of the 2.75% increases as previously agreed). Effective May 1, 2026, patrol officers shall receive a 3.0% equity adjustment and a 3.0% increase (total of 6.0%) and sergeants shall receive a 4.0% equity adjustment and a 3.0% increase (total of 7.0%). Effective May 1, 2027, patrol officers shall receive a 3.0% increase and sergeants shall receive a 3.0% increase. Appendix “E” contains the Wage Schedules for the above-referenced time periods. Should the State of Illinois reduce the amount of funding it provides to the Village through the Local Government Distributive Fund (“LGDF”), the parties agree to meet to discuss the financial impact on the Village operations and related costs.

Section 2. Section 9.16 of the Agreement, entitled “Compensatory Time,” is hereby amended as follows:

Section 9.16 Compensatory Time

At the employee's option, the employee shall be credited with compensatory time at the appropriate overtime rate (of one and one-half (1 ½) or double (2) time) as dictated by this Agreement, in lieu of paid overtime. Requests to use compensatory time submitted on or before March 1 may be trumped by a vacation request submitted before March 1 for the same day. Requests to use compensatory time submitted after March 1 shall be on equal footing as requests to use vacation or other time off submitted after March 1. Compensatory time cannot be scheduled for July 4, the Friday following Thanksgiving, or days during Summer Celebration. Use of compensatory time shall not be unreasonably denied and, if denied, the Employer shall advise the employee of the next available opportunity within a reasonable time period when the employee may use such compensatory time, if the employee so chooses. Once approved, compensatory time off will not be rescinded. Compensatory time shall be taken at the minimum of one-half (1/2) hour increments. Accumulation of compensatory time shall be replenishable, but shall be limited to one hundred (100) hours. Whenever an employee has reached the maximum accrual of compensatory time, all overtime hours worked shall be paid at the appropriate overtime rate, until the employee has reduced his compensatory time accrual below the maximum. In addition, the use or scheduled use of compensatory time is limited to one hundred and sixty (160) hours in a calendar year. Whenever an employee has used or scheduled to use one hundred and sixty (160) hours of compensatory time in a calendar year, regardless of how much compensatory time has been accumulated, all overtime hours worked shall be paid at the appropriate overtime rate. If the Village eliminates Roll Call Credit Time, the maximum accrual of compensatory time shall be increased to one hundred thirty-two (132) hours, but must be reduced to eighty (80) hours by April 30, or else the compensatory time in excess of eighty (80) hours shall be cashed out at the rate in effect on April 30. Any employee who has more than eighty (80) hours of compensatory time on April 30 shall have such compensatory time reduced to eighty (80) hours by cashing out any compensatory time in excess of eighty (80) hours at the rate in effect on April 30. Upon separation, any unused compensatory time shall be paid at the employee's final regular rate of pay. At any time during the year, the employee may opt to cash out any amount of their accumulated compensatory time. Unused compensatory time shall be carried over from contract year to contract year, subject to the maximum carry-over limit of eighty (80) hours.

Section 3. Article XV of the Agreement, entitled “Additional Leaves of Absence,” is hereby amended by adding Section 15.8, entitled “Waiver of Paid Leave for All Workers Act,” as follows:

Section 15.8 Waiver of Paid Leave for All Workers Act.

In consideration of the Village agreeing to provide paid sick leave, vacation leave, personal leave and bereavement leave, bargaining unit members hereby waive the paid leave provided by the Paid Leave for All Workers Act (820 ILCS 192/1 *et seq.*), and all provisions of said Act.

Section 4. Section 9.7 of the Agreement, entitled “Overtime Pay,” is hereby amended as provided in the Memorandum of Understanding Regarding Overtime, dated February 6, 2024, as follows:

Section 9.7 Overtime Pay

An employee shall be paid one and one-half (1 ½) times the employee’s regular hourly rate of pay for all hours worked in excess of the employee’s normal work day, as amended from time to time (including time worked in excess of eight (8) hours or twelve (12) hours because of changes back and forth from Standard Time to Daylight Savings Time) or in excess of eighty (80) hours in a fourteen (14) day work period. For purposes of calculating overtime, all compensable hours shall count as hours worked. Should an officer be forced to work an overtime assignment, which causes the officer to work more than sixteen (16) consecutive hours, the following arrangements shall apply. Beginning at the end of their overtime assignment, should the officer be scheduled to return to patrol in less than eight (8) hours, that officer will be granted additional paid time off before the beginning of their next shift, equal to the number of hours worked in excess of the sixteen (16) consecutive hour threshold. (For instance, an officer who began their shift at 0600 hrs. and was forced to hold over until 2300 hrs. (seventeen (17) hours) would not be required to report for duty until 0700 hrs. the next day.) No benefit time shall be utilized for this additional paid time off. An officer who is forced to hold over in excess of sixteen (16) consecutive hours, but who is not scheduled to report for duty in less than eight (8) hours, would receive double time compensation for the time worked in excess of sixteen (16) consecutive hours.

Section 5. Section 9.13 of the Agreement, entitled “Overtime Work,” is hereby amended as provided in the Memorandum of Understanding Regarding Overtime, dated February 6, 2024, as follows:

Section 9.13 Overtime Work

For purposes of this Section 9.13, court time shall not be considered overtime, either anticipated or unanticipated. Unanticipated Overtime shall be defined as overtime that becomes known less than five (5) days prior to its time of availability. Anticipated Overtime is that overtime that becomes known five (5) days or more prior to its availability.

If a shortage is created on a shift when a patrol officer or sergeant is scheduled for their eight (8) hour early day, such patrol officer or sergeant shall have the first choice to forego their four (4) hour early day and to accept four (4) hours of overtime, and such patrol officer's or sergeant's early day shall not be rescheduled at a later date. If such patrol officer or sergeant wishes to utilize their four (4) hours of time off, then the Department shall follow the Unanticipated Overtime procedures described in subsection A, below. If no patrol officer or sergeant accepts the overtime assignment under such circumstances, such patrol officer's or sergeant's early day shall be cancelled, such patrol officer or sergeant will be compensated with four (4) hours of overtime, and such patrol officer's or sergeant's early day shall not be rescheduled at a later date.

If two (2) patrol officers have the same early day scheduled, and a shortage has occurred on such shift, the bargaining unit member with the most rank seniority shall have the first right of refusal. If no patrol officer or sergeant accepts the overtime assignment under such circumstances, the junior of the two patrol officers shall have his/her early day cancelled, such patrol officer shall be compensated with four (4) hours of overtime, and such patrol officer's early day shall not be rescheduled at a later date.

If a patrol officer and a sergeant have the same early day scheduled, and a shortage has occurred on such shift, if the vacancy is caused by a patrol officer, and no patrol officer or sergeant accepts the overtime assignment under such circumstances, such patrol officer's early day shall be cancelled, as described above; but if the vacancy is caused by a sergeant, and no patrol officer or sergeant accepts the overtime assignment under such circumstances, such sergeant's early day shall be cancelled, as described above.

The parties agree to meet and discuss new procedures for overtime callouts, and upon mutual agreement may implement the new procedures.

In the event that the "early day" procedures are not implicated, the following procedures shall be utilized:

A. UNANTICIPATED OVERTIME KNOWN LESS THAN FOUR (4) HOURS PRIOR TO TIME OF OCCURRENCE

When the need to fill unanticipated overtime becomes known less than four (4) hours prior to its time of occurrence, said overtime shall be filled as follows:

1. Vacancy Created by a Patrol Officer:

Patrol officers on-duty shall be offered the overtime, based upon rank seniority. If no on-duty patrol officers wish to work the overtime, off-duty patrol officers shall be offered the overtime, via a text message sent simultaneously to all off-duty officers and sergeants being made to such off-duty officers and sergeants

at the telephone number they have designated and which is on file with the Department. After the passing of thirty (30) minutes, beginning at the time the text notification was sent, the overtime will be awarded to an individual who signed up for the vacancy utilizing the current electronic scheduling system, based on seniority, with officers getting preference over sergeants.

If no patrol officer or sergeant accepts the overtime assignment, then the least senior patrol officer working shall be forced to work the overtime. For purposes of this Section, personnel assigned to Investigations or working a special detail shall not be forced to work the vacancy.

Notwithstanding the above, no officer shall be forced to work sixteen (16) or more consecutive hours on two consecutive days, absent emergency circumstances. In the event this situation occurs, the next least senior officer will be forced back, unless otherwise not eligible.

When filling a vacancy created by a patrol officer, no bargaining unit member shall work more than eighteen (18) consecutive hours under the circumstances illustrated above, absent emergency circumstances. In the event this restriction becomes operative, the least senior officer working on the oncoming shift will be forced, unless otherwise not eligible or available.

In the event the two (2) least senior officers from the same shift are required to work overtime in accordance with the provisions above, the officer with seniority shall have first choice as to which portion of the prescribed overtime they will work.

No bargaining unit member shall voluntarily work more than sixteen (16) consecutive hours, absent emergency circumstances.

2. Vacancy Created by a Sergeant:

If a supervisor is needed on-duty, then sergeants on-duty shall be offered the overtime, based upon rank seniority. If no on-duty sergeant accepts such overtime assignment, then all off-duty sergeants and Officers in Charge (OIC) shall be offered the overtime, via a text message sent simultaneously to all off-duty Sergeants and Officers in Charge at the telephone number they have designated and which is on file with the Department. After the passing of thirty (30) minutes, beginning at the time the text notification was sent, the overtime will be awarded to an individual who signed up for the vacancy utilizing the current electronic scheduling system, based on rank seniority, with Sergeants getting preference over OICs.

If no Sergeant or OIC accepts the overtime assignment, then the least senior sergeant working shall be forced to work the overtime. For purposes of this Section, personnel assigned to Investigations or working a special detail shall not be forced to work the vacancy.

If a supervisor is not needed for the shift, then all patrol officers shall be offered the overtime, via the text notification system procedure described hereinabove. If no patrol officer accepts such overtime assignment, then under such circumstances, the least senior sergeant working shall be forced to work the overtime, but if no sergeant is working, then the OIC in charge of that shift shall be forced to work the overtime. For purposes of this Section, personnel assigned to Investigations or working a special detail shall not be forced to work the vacancy.

Notwithstanding the above, no bargaining unit member shall be forced to work sixteen (16) or more consecutive hours on two consecutive days, absent emergency circumstances. In the event this situation occurs, the next least senior sergeant will be forced back, unless otherwise not eligible.

When filling a vacancy created by a sergeant, no bargaining unit member shall work more than eighteen (18) consecutive hours under the circumstances illustrated above, absent emergency circumstances. In the event this restriction becomes operative, the least senior sergeant working on the oncoming shift will be forced, unless otherwise not eligible.

For the purposes of this Section, trained Officers-In-Charge shall include all patrol officers trained to perform the duties of Officer In Charge, regardless whether they are identified as a designated shift Officer in Charge.

B. UNANTICIPATED OVERTIME KNOWN FOUR HOURS OR MORE PRIOR TO TIME OF OCCURRENCE

When the need to fill unanticipated overtime becomes known four (4) hours or more prior to its time of occurrence, said overtime shall be filled as follows:

1. Vacancy Created by a Patrol Officer:

All patrol officers shall be offered the overtime assignment, based upon seniority. If no patrol officer accepts the overtime assignment, all sergeants shall be offered the overtime, based upon rank seniority. The text notification system procedure described hereinabove shall be utilized to contact patrol officers and sergeants. If no patrol officers or sergeants accept the overtime assignment, then the least senior patrol officer working shall be forced to work the overtime. For purposes of this Section, personnel assigned to Investigations or working a special detail shall not be forced to work the vacancy.

Notwithstanding the above, no officer shall be forced to work sixteen (16) or more consecutive hours on two consecutive days, absent emergency circumstances. In the event this situation occurs, the next least senior officer will be forced back, unless otherwise not eligible.

When filling a vacancy created by a patrol officer, no bargaining unit member shall work more than eighteen (18) consecutive hours under the circumstances illustrated above, absent emergency circumstances. In the event this restriction becomes operative, the least senior patrol officer working on the oncoming shift will be forced, unless otherwise not eligible.

2. Vacancy Created by a Sergeant:

If a supervisor is needed on-duty, then all sergeants shall be offered the overtime, as described hereinabove. If no sergeant accepts the overtime assignment, then all trained OICs shall be offered the overtime, as described hereinabove. If no trained OIC accepts the overtime assignment, then the least senior sergeant working shall be forced to work the overtime.

If a supervisor is not needed for the shift, then all patrol officers shall be offered the overtime, via the text notification system procedure described hereinabove. If no patrol officer accepts the overtime assignment, then under such circumstances, the least senior sergeant working shall be forced to work the overtime, but if no sergeant is working, then the OIC in charge of that shift shall be forced to work the overtime.

Notwithstanding the above, no bargaining unit member shall be forced to work sixteen (16) or more consecutive hours on two consecutive days, absent emergency circumstances. In the event this situation occurs, the next least senior sergeant will be forced back, unless otherwise not eligible. If that sergeant is not eligible, then the OIC in charge of the shift that is working shall be forced to work the overtime.

When filling a vacancy created by a sergeant, no bargaining unit member shall work more than eighteen (18) consecutive hours under the circumstances illustrated above, absent emergency circumstances. In the event this restriction becomes operative, the least senior sergeant working on the oncoming shift will be forced, unless otherwise not eligible. If that sergeant is not eligible, then the OIC in charge of the shift that is working shall be forced to work the overtime.

For the purposes of this Section, trained Officers In Charge shall include all patrol officers trained to perform the duties of Officer In Charge, regardless whether they are identified as a designated shift Officer In Charge.

C. ANTICIPATED OVERTIME

Anticipated overtime shall be posted not less than five (5) days prior to its scheduled time of occurrence and shall remain posted for a minimum of four (4) consecutive days, during which time bargaining unit members may sign up for such overtime opportunity as follows:

1. Vacancy Created by a Patrol Officer:

Patrol officers and sergeants may sign up and the senior patrol officer shall be granted the overtime, based upon seniority. If no patrol officer signs up, the senior sergeant shall be granted the overtime.

2. Vacancy Created by a Sergeant:

Sergeants and trained Officers-in-Charge (OIC) may sign up and shall be granted the overtime, based upon rank seniority, sergeants first. Trained OIC seniority shall be based upon their date of appointment as a sworn officer.

No bargaining unit member shall work more than eighteen (18) consecutive hours under the circumstances illustrated above, absent emergency circumstances.

Anticipated overtime that goes unfilled shall be treated as unanticipated overtime when it remains unfilled within twenty-four (24) hours of its time of occurrence, except that where a vacancy for sergeant goes unfilled and a supervisor is needed, the least senior sergeant working shall be forced to work the overtime. If a supervisor is not needed for the shift, the least senior sergeant working shall be forced to work the overtime, but if no sergeant is working, then the OIC in charge of that shift shall be forced to work the overtime.

Under exigent circumstances, the procedures for unanticipated overtime need not be followed by the Employer.

The remedy for any breach of these procedures shall be that the grievant shall be entitled to work four (4) hours at the officer's overtime pay rate, at a time to be mutually agreed by the grievant and the Employer.

Follow-up investigations or shift level, initiated, directed patrol activities may be exempted from these procedures, with the approval of the Chief of Police or a Deputy Chief of Police.

D. SUPERVISOR'S DISCRETION

If the overtime procedures have been followed and a bargaining unit member has not taken the available overtime in a single block, said overtime shall be filled in blocks of time at the supervisor's discretion, regardless of seniority.

E. REST PERIOD

An officer shall not work more than eighteen (18) hours in any twenty-four (24) hour period without a continuous four (4) hour break in service. The required rest period shall apply to routine staffing and details. In addition, officers may be

required to work more than eighteen (18) consecutive hours when an emergency is declared by the Chief of Police or his designee.

Section 6. Section 18.1 of the Agreement, entitled “Health Insurance,” is hereby amended by adding the amendment contained in the Side Letter Agreement between the parties regarding adding an additional insurance plan, as follows:

Section 18.1 Health Insurance

The Employer’s present complete health and hospitalization coverage, provided to all employees covered by this Agreement, shall remain in effect during the term of this Agreement; provided, however, the Employer may change carriers or the program once annually during the term of this Agreement, or self-insure, if desired, provided the benefits remain substantially the same, (except that effective 12/1/2022 the Employer shall no longer offer bargaining unit members a PPO Plan with a \$0 deductible) with the Employer paying 80% of the monthly premium cost for single or dependent coverage, and the employee paying 20% of the monthly premium cost for single or dependent coverage (effective 7/1/2011), for whichever plan is selected by the employee. Any employee who chooses to be covered under the Village’s indemnity or PPO plan, if so offered by the Village, rather than its HMO plan, shall be required to pay, in addition to the payments set forth hereinabove, an additional sum equal to the difference between the premium cost for the indemnity or PPO plan and the HMO plan. If the Village offers any group health insurance plan that will be subject to an excise tax for high-cost coverage (“Cadillac Tax”) under the Affordable Care Act, then employees who are enrolled in such health insurance plan shall be required to pay, as additional health insurance premium contributions, in addition to the employee premium contributions set forth above, an amount equal to any Cadillac Tax.

The Village may, at its sole discretion, offer to employees covered by the Agreement the ability to enroll in a High Deductible Plan (“HDP”), with the Village paying 90% of the monthly premium cost for single or dependent coverage, and the employee paying 10% of the monthly premium cost for single or dependent coverage. In addition, the Village will make annual contributions to a Health Savings Account (“HSA”), to be established for employees covered by the Agreement who are enrolled in the HDP, in the following amounts for the following coverages:

Employee only:	\$300 per annum
Employee and Spouse:	\$300 per annum
Employee and Child(ren):	\$300 per annum
Family:	\$800 per annum

At all times, the Village retains the sole and exclusive right to either modify or to terminate the HDP plan and the Village retains the sole and exclusive right to modify or to cease making contributions to the HSA on behalf of employees

covered by the Agreement, but such modifications, terminations, or cessations shall become effective only at the beginning of an insurance year.

The Employer's present dental insurance program will remain in effect during the term of this Agreement; provided, however, the Employer may change carriers or the program once annually during the term of this Agreement, provided the coverage remains substantially the same, with the Employer paying 75% and the employee paying 25% of the premium for single or dependent coverage, for whichever plan is selected by the employee.

The Employer's present vision insurance program shall remain in effect during the term of this Agreement, provided, however, the Employer may change carriers or the program once annually during the term of this Agreement, provided the coverage remains substantially the same, with the Employer paying 100% of the premium for such coverage.

The Patient-Centered Outcomes Research Institute (PCORI) fees, the Transitional Reinsurance fees, and the Insurer Tax imposed by the PPACA (Affordable Care Act) shall be included in and considered a portion of the health insurance premiums charged by the health insurance carrier, and employees shall pay 20% of such fees and taxes, as part of their premium co-payments described hereinabove. No other Affordable Care Act fees shall be included unless mutually agreed by the parties.

Section 7. Section 25.1 of the Agreement, entitled "Terms of Agreement," is hereby amended as follows:

Section 25.1 Term of Agreement

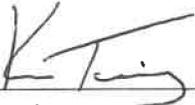
This Agreement shall be effective upon execution and shall remain in full force and effect until 11:59 p.m. on April 30, 2028. It shall continue in effect from year to year thereafter unless a notice of demand to bargain is given in writing by electronic or certified mail by either party no earlier than one hundred twenty (120) days preceding expiration. The notice referred to shall be considered to have been served as of the date shown on the postmark/email. Written notice may be tendered in person, in which case the date of notice shall be the written date of receipt.

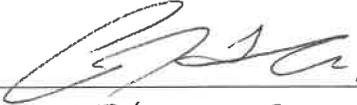
Section 8. All remaining terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the Village and the Union have caused this Side Letter Agreement to be executed on the date first set forth hereinabove.

VILLAGE OF VERNON HILLS

FRATERNAL ORDER OF POLICE
LABOR COUNCIL

By: 
6/4/25

By:  01
05/26/25

APPENDIX "E"

Wage Schedule

**VILLAGE OF VERNON HILLS SALARY STEP PROGRAM
POLICE OFFICERS & SERGEANTS
EFFECTIVE MAY 1, 2025**

FY 2025 – 2026 – 3.5%								
POSITION	MUNIS	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7
POLICE OFFICER	34	\$89,113	\$94,772	\$100,435	\$106,100	\$111,763	\$117,421	\$123,088
POLICE SERGEANT	35	\$129,242	\$133,765	\$139,115	\$145,233			
FY 2026 – 2027 – POLICE OFFICER – 6% / POLICE SERGEANT – 7%								
POSITION	MUNIS	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7
POLICE OFFICER	34	\$94,460	\$100,459	\$106,462	\$112,466	\$118,468	\$124,466	\$130,473
POLICE SERGEANT	35	\$138,288	\$143,128	\$148,853	\$155,399			
FY 2027 – 2028 – 3%								
POSITION	MUNIS	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7
POLICE OFFICER	34	\$97,293	\$103,473	\$109,655	\$115,840	\$122,022	\$128,200	\$134,387
POLICE SERGEANT	35	\$142,437	\$147,422	\$153,319	\$160,061			