



Teamster Pride

Make Public Service A Union Service

State and Municipal Teamsters, Chauffeurs and Helpers Union

Vol. 6, No. 2 • September 2002

Local 726 Member Serves for Us

Local 726 member **Gregory Ortiz** recalls the day of January 3 when he left for active duty. His youngest daughter had been born two weeks before. He missed her first eight months, as well as his oldest daughter going to kindergarten, and more. Why did he go? "I gave up my freedom to secure the freedom and amenities we have."

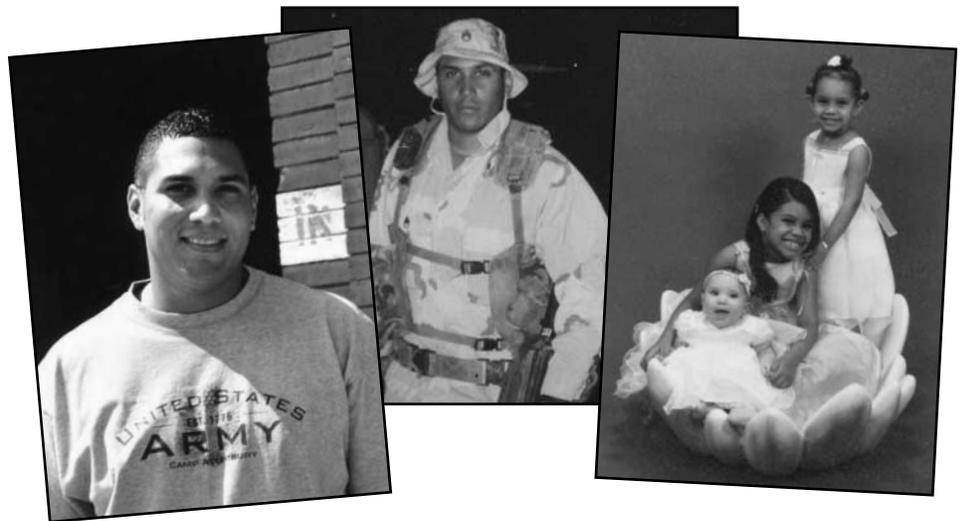
The 6'1" truck driver with the Chicago Water Department lives in the south loop with his wife Nicole and three daughters. He is also a platoon sergeant in an infantry air assault unit of the Illinois Army National Guard, with 45 men under his command. In 1991, Greg joined the Army to serve in Desert Storm but was not deployed. When the war ended, he left the Army and joined the National Guard to finish his college education (in chemistry).

In early November, in the aftermath of 9-11, Greg received a call-up with no details. He only knew his unit was to be deployed for 240 days, and the rest "was totally unknown to us." The soldiers were required to report for a week to see if they were deployable, and had to pass many checks, such as medical, legal and financial.

The Illinois Guard hadn't been deployed since the Korean War. According to Greg, it was hard for some young soldiers to adapt. Some were out of shape and had to get up to physical standards in a short time. Some were found undeployable. Others had strong opinions and wanted to question everything. "But in the military, we're there to serve, not to question," Greg says.

"I was part of Task Force Santa Fe, with 2,100 soldiers, which was to take over all of the U.S. bases in Europe and perform all force-protection duties. (The Task Force also participated in other missions that are classified.) We were based in Heidelberg, Germany."

"I believe that we all should be patriots," Greg adds. "We all enjoy the freedoms of the U.S. Our leaders, even if we disagree with them, are extensions of us. Many people don't realize the importance of voting political leaders in and out of office." Voting, he says, and taking part in the election process are "powerful tools" for us to use.



"As Americans, we can't forget how big the word 'us' is in U.S.—it means everybody." Greg compares the body politic to a family. "We can't pick our family members. Although we may disagree, we go to bat for them sometimes. That's the way I feel about being an American—you have to stand up for your family in a crisis."

Greg hadn't planned on being a truck driver, but he says it's a good paying job with great benefits. He attends all Union meetings. "I'm a supporter of the Union, and think the executive board is doing a good job."

While on active duty, Greg noticed that union workers generally knew their rights and were secure about their jobs during deployment. But some non-union workers faced loss of jobs and wages, because many employers and non-union workers don't know about the worker protections contained in the *Soldiers and Sailors Relief Act*.

Greg's family comes from Texas, which was once part of Mexico. "We were taught to fight for the land, and the jobs and benefits it provides." Greg's great grandfather was a labor organizer in Brownsville, when the labor movement was in its infancy. His grandfather and three brothers were instrumental in bringing the United Steelworkers of America to Inland Steel. His mother was an international organizer for the USWA. "I come from a long history of union," he says proudly. ■

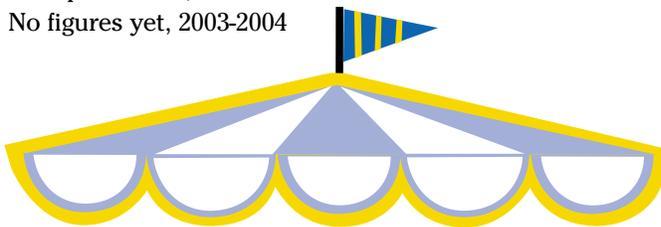
Local 726 Negotiates Contracts for New Members

Local 726 is presently negotiating new contracts that will add nearly 100 new members to the Local Union. During the last seven years, about 800 people have become new members; all are under contract. Increasing Local 726's membership strengthens the Union's hands at the bargaining table and in the state legislature for all members.

You'll find the latest on negotiations for four first-time contracts below. At Wilmette School District, negotiations are finished. Bargaining with Summit Public Works, Hazel Crest Police Department and Niles Fire Department is taking place.

■ **WILMETTE AVOCA SCHOOL DISTRICT #37** - Workers won a 3-year contract, effective July 1, 2001 to June 30, 2004, including the following provisions:

- **Retirement credit** – Unused sick leave days are increased from 180 to 240 for retirement credit.
- **Vacations** – Employees will get 10 days with one to five years of service, 15 days with six to 14 years completed, and 20 days with 15 years of service and beyond.
- **Holidays** – Rosh Hashanah*, Christmas Eve, Christmas Day, Yom Kippur*, New Year's Eve, New Year's Day (*if it falls on a scheduled workday)
- **Insurance** – The employer will pay full premiums for coverage under the District's Employee Medical and Dental Insurance Plan. Employees who do not participate in this plan are eligible for a monthly payment equal to the monthly single premium for employee coverage under the District's PPO Medical Insurance Plan.
\$345 per month, 2001-2002
\$407 per month, 2002-2003
No figures yet, 2003-2004



Local 726 Annual Picnic – July 20



● **Pay and retroactive increases**

- \$0.43 to \$0.62 per hour – July 1, 2001 to June 30, 2002
- \$0.73 to \$1.10 per hour – July 1, 2002 to June 30, 2003
- 3.5% across the board – July 1, 2003 to June 30, 2004

● **Work clothes** - Workers get 5 long-sleeved shirts and 4 summer t-shirts.

■ **SUMMIT PUBLIC WORKS** – Negotiations are currently at a standstill. Village Trustees have instructed the Village attorney to take back proposals which had been tentatively agreed upon. If the Village takes this action, the Union will file an Unfair Labor Practice Charge.

Contract issues that have been agreed upon include: recognition, union rights, management rights, subcontracting, no strike/no lockout, non-discrimination, hours of work, discipline, grievance process, layoff and recall, sick leave and labor/management.

■ **HAZELCREST POLICE DEPARTMENT** – The negotiators have met three times, the last time on July 29. The department is to respond to the Union's Supplemental Proposals on August 30. Talks have taken place about vacation, overtime, scheduling work week and officer in charge, but the parties haven't yet come to agreement.

■ **NILES FIRE DEPARTMENT**

● **Discipline** – The remaining discipline issue is the length of time a disciplinary matter remains in the employee's record. The Union proposed that a prior disciplinary action may remain, but cannot be used against the employee more than three years after the discipline occurred. The Union agreed that discipline for alcohol or drug-related problems will not be subject to a time limit.

● **Holidays** – This economic issue is tied to the time-off discussion on vacation, holiday and Kelly days. Niles is four to five days below the average of probable compa-

rable jurisdiction for employees at all levels of service, i.e., 5 years, 10 years, 15 years, 20 years and 25 years. The bargaining unit made proposals to narrow the gap.

- **Layoff and recall** – The remaining issue is whether firefighters and lieutenants will be subject to layoff from the same seniority lists. The employer wants any layoff to be based upon separate lists. The Union wants a junior lieutenant to be laid off before a senior firefighter.

- **Duty trades** – The employer wants to limit duty trades to six days per year; at present time, there is no limitation.

- **Wages** – The parties have not agreed on wages, and the Union is waiting for management's counter offer.

- **Health insurance** – The employer took a position that under a Highland Park case involving Teamster Local 714, our members can be required to pay more than other Village employees and it has asked them to pay 10% of health insurance costs. Employees presently make no insurance premium co-payments, but have relatively high deductibles. The negotiating team is surveying the costs in towns that may be used as comparables.

- **Unit benefits** – As drafted, this is an automatic pass-through to firefighters to get any benefits and wages granted to other employees.

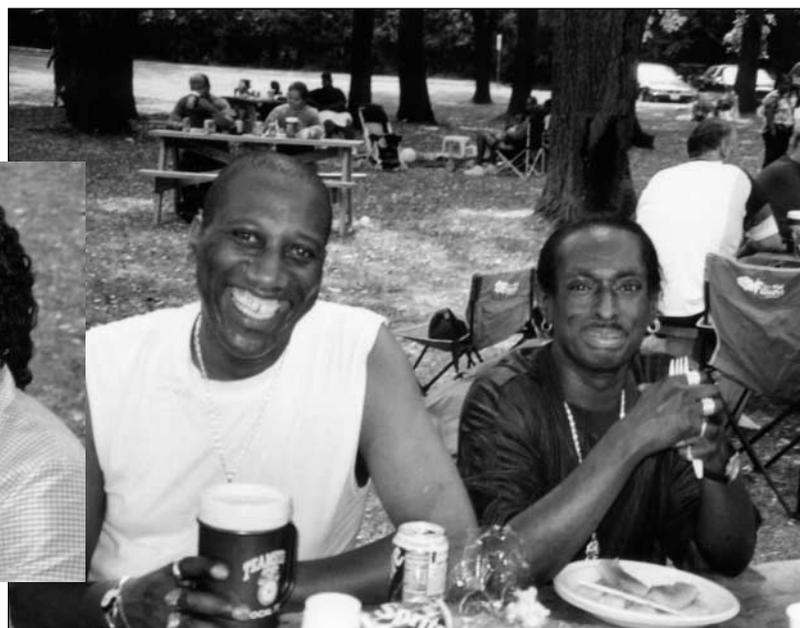
- **Drug testing** – The remaining issue is whether the employer can use an anonymous person as basis for a reasonable cause of suspicion, which the Union opposes.

- **No smoking** – The employer wants a smoking ban at all facilities. Employees can now smoke in the hose hour.

- **Training** – The Union is asking the Village to provide training in the proper use and care of equipment, to schedule training, and for firefighters to be compensated at the applicable rate of pay for hours spent in training.

- **Uniforms** – The Union is seeking the right of firefighters to purchase shoes up to a maximum amount, with reimbursement to be made by the department or some quartermaster variation of this.

- Negotiations have made no significant progress or have not begun on some issues, including **sick leave, paramedic decertification, residency, safety committee, minimum manning, union business leave, and promotions** (the employer asked to defer promotions pending the outcome of legislation). ■



Teamster Pride

State and Municipal Teamsters, Chauffeurs
and Helpers Union, Local 726

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Thomas V. Judkins, *Business Agent*
James Green, *Attorney*
Tony Fiori, *IBT D.R.I.V.E. Representative*

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Comments should be sent to:
Teamster Pride • Local 726
300 South Ashland Avenue, Room 206
Chicago, IL 60607
Telephone 312 666-5772
Fax 312 666-7581



726

Managing Editor:
Daniel E. Stefanski
Editor: Kathleen Devine
(CWA Local 71)

CITY OF CHICAGO UPDATE

After discussion with the City of Chicago and to avoid the layoff of nearly 425 City employees, the Coalition of Unions suggested a 1-cent per gallon gasoline tax increase. Unfortunately, 22 MTDs citywide were axed in the August 1 layoffs.

The City proposed: (1) deferring July 1 raises to January 1, 2003; (2) deferring pension contributions to the employee pension fund for several months; and (3) that employees take five unpaid furlough days. Saying "No" to all three proposals, the Coalition responded that the City should not balance its budget on the backs of employees.

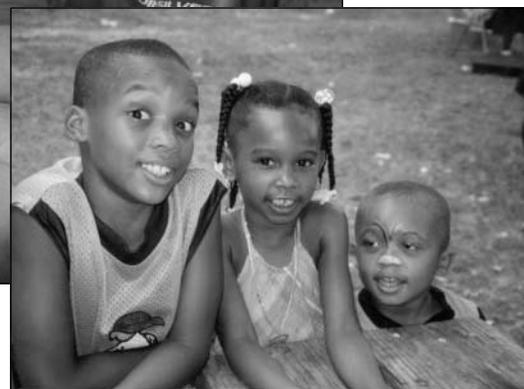
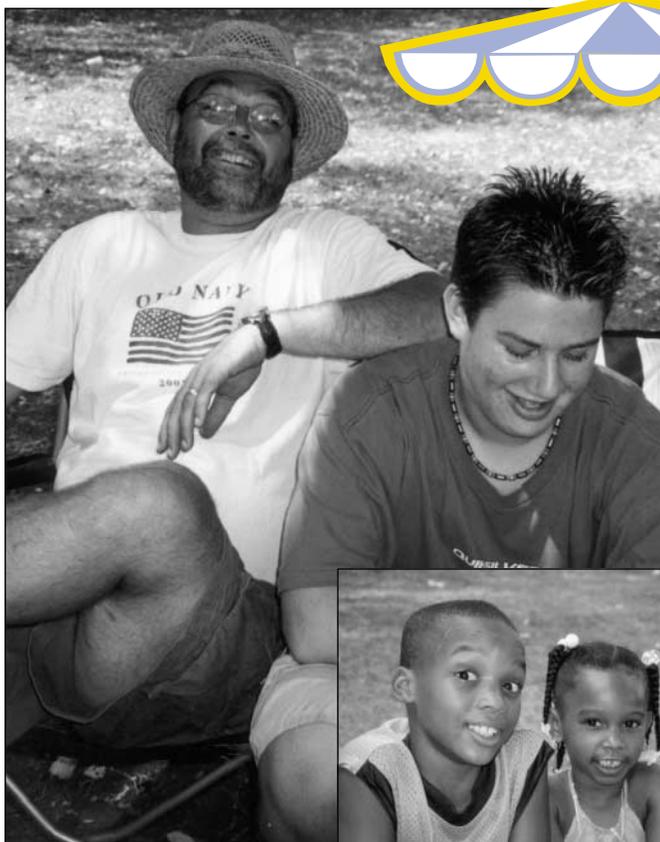
The Union exerted immense pressure on the Illinois legislature for a pension increase to alleviate the impact of layoffs. The Union also leaned on the City to spread out the budget deficit. What about the private vendors with the \$300 million cost overrun for Millennium Park and Boeing with its tax breaks? Were they being asked to give back any money? Shouldn't they share the burden of bailing out the City?

The City's proposal on furlough days would only have affected employees in the Corporate Fund. An MTD in Streets and Sanitation with 25 years paid out of the Cor-

porate Fund would be compelled to take off a week without pay, while a Seasonal MTD with two years at Aviation (paid from the Aviation Fund) would take off no days. The same goes for MTDs who are paid out of sewer and water taxes, and Transportation MTDs, paid out of bond and motor fuel funds. They would not be forced to take furlough days. Plain and simple, the City's furlough plan was unworkable and inequitable.

The City's current budget problem was created more by a revenue shortfall than by over-spending. Anticipated tax revenue on natural gas was down some \$25 million because of the mild winter. In addition, the State of Illinois had a \$1 billion deficit and is behind several months on paying almost \$50 million in revenue-sharing funds to the City. These funding sources account for almost 60% of the City's \$115 million budget shortfall.

Overtime cutbacks, hiring freeze and reduction in force are the only options, other than a tax increase, to meet the City's budget deficit. Local 726 opposes any layoffs, but City members should continue to expect a tight rein on overtime and a continued freeze on non-emergency essential employees. ■



PENSION NEWS...726 HITS GRAND SLAM

During this year's spring legislative session, the Illinois General Assembly in Springfield passed four pension enhancements that affect Local 726 members. Local Union leaders and elected officials lobbied hard to accomplish this beneficial pension package.

An Early Retirement bill for employees in the Illinois State Retirement System and Alternative Formula Plan was passed. The changes below will benefit our members in the Water Reclamation District, City of Chicago, Chicago Board of Education and Cook County.

■ METROPOLITAN WATER RECLAMATION DISTRICT

Summarized below are the two provisions requested this year by the District and incorporated in the pension legislation.

(1) New Optional Plan

Introduced last spring, the new "Optional Plan" is spelled out in House Bill 4509. The plan begins January 1, 2003, and will sunset on December 31, 2007. It is intended as a substitute for the current optional plan, scheduled to sunset the end of 2002.

The new plan will be available only to employees with at least 10 years of service credit (currently, all MWRD employees are eligible, regardless of service credit). Like the current plan (which is scheduled to expire July 1, 2002), the new plan will allow an employee to make additional voluntary contributions, and in exchange receive a higher retirement annuity.

Participating employees will contribute an additional 4% of salary to the pension fund (compared to 3% of salary under the current plan). The retirement benefit will increase by 1% of salary for each year that the employee continues in the new Optional Plan (same as under the current plan).

A limit of 12 years total participation is imposed in the new plan (the current limit is 15 years). Additionally, the employer multiplier (ratio of employer-to-employee contributions for Optional Plan participants) will be reduced from 2.19 to 1.00. The MWRD Pension Fund estimates that the changes in the new plan will reduce the annual employer cost of the program from \$2.8 to \$1.1 million.

(2) Rule of 80

Under the Rule of 80, an employee whose combined age and years of service equal at least 80 will be able to retire at any age, without incurring the early retirement discount that is otherwise applied to retirements before age 60. The Rule of 80 replaces the MWRD's current Early Retirement Plan and is a less costly substitute.

Currently, employees between the age of 55 and 60 can

elect to pay an additional contribution, and thereby avoid an early retirement discount. Only 101 MWRD employees will qualify under the Rule of 80, compared to 469 qualifying currently (out of a total of 2,200 District employees). The Rule of 80 will reduce MWRD contributions to the pension fund by \$18.5 million during the period 2003 through 2007.

■ COOK COUNTY PENSIONS

During the spring session, the Illinois state legislature passed House Bill 5168, thereby approving a number of benefit increases and an Early Retirement Incentive Plan. The benefit increases will not take effect until signed into law by Governor George Ryan.

(1) Benefit Increases

The new benefits include: an increase in the pension formula from 2.2% to 2.4% per year of service for all future retirements effective on or after June 30, 2002; and an extension of the optional contribution plan for three years through July 1, 2005. This popular plan allows members to contribute an additional 3% of salary to their pension. For each year the optional contribution is paid, the member receives an additional 1% per year of service, subject to the maximum benefit of 80% of Final Average Salary.

Discounts based on age and service continue to apply. The spouse annuity maximum benefit increases from the current rate of 50% to the new rate of 65% of the employee's earned retirement benefit or annuity payable. The spouse annuity remains subject to certain discounts. The increased benefit is applicable for the spouses of all employees or annuitants who die on or after July 1, 2002.

(2) Early Retirement Incentive

Benefit increases also include an Early Retirement Incentive Plan that allows members who retire during the win-

(continues on next page)

Union Starts on 2003 Legislative Agenda

The Executive Board of Local 726 and other unions will continue working hard in the next few months to push legislation that will provide for City of Chicago retirees' health insurance to be paid by the Municipal and Laborers Pension Funds. Local 726 will exclusively be working towards folding the Mechanics, Body Technicians and Pool Dispatch members at the Illinois Toll Authority and MEO's at state health facilities into the Alternative Pension Formula Plan. Our goals for Spring 2003 are to pass these two proposed pieces of legislation.

dow period from November 30, 2002 through March 31, 2003 to receive up to an additional 10% of their Final Average Salary and to retire as early as age 50 without an age discount.

To be eligible, a member must have reached the age of 50 and have credit for 20 years of actual County service (excluding other government service) by March 31, 2003 or by their retirement date, if it is before March 31, 2003.

Here's an example of how the Early Retirement Incentive (ERI) Plan formula will work for a person who is 50 years old with 20 years of County service as of March 31, 2003, including the 10% ERI and assuming all optional is paid for 20 years:

20 years @ 2.4% per year	48.00%
Early Retirement Incentive	10.00%
Paid Optional for 20 years	20.00%
Retirement during ERI window	78% of Final Average Salary

Following the governor's expected approval, the Office of the Retirement Board will prepare individualized statements for all eligible members. The Board expects to send each of the 3,500 eligible members a packet of information that includes individual pension projections.

■ CHICAGO MUNICIPAL EMPLOYEES AND CHICAGO LABORERS PENSION FUNDS

Illinois House Bill 2009, which passed this year's General Assembly, includes the following provisions that benefit our members who are in the Chicago Municipal and Chicago Laborers Funds.

1) The sunset date of the health insurance subsidy paid to retired City employees is extended from July 1, 2002 to July 1, 2003. Currently, the City subsidizes 50% of the cost of health insurance for employees who have retired. The four City pension funds (Chicago Municipal, Laborers, Police and Firemen's Funds) provide an additional subsidy of \$45 per month for Medicare recipients and \$75 per month for retirees who do not qualify for Medicare.

2) The bill increases the pension formula to 2.4% of the average of the best four of the last five years per year of service (currently, 2.2%), with maximum pension equal to 80% of final salary (currently, 75%).

3) The bill eliminates the age penalty for a widow's annuity if the deceased member had at least 10 years of city service. Currently, the widow's annuity is reduced by 0.25% for each month that the widow is under age 60 at the time of death.

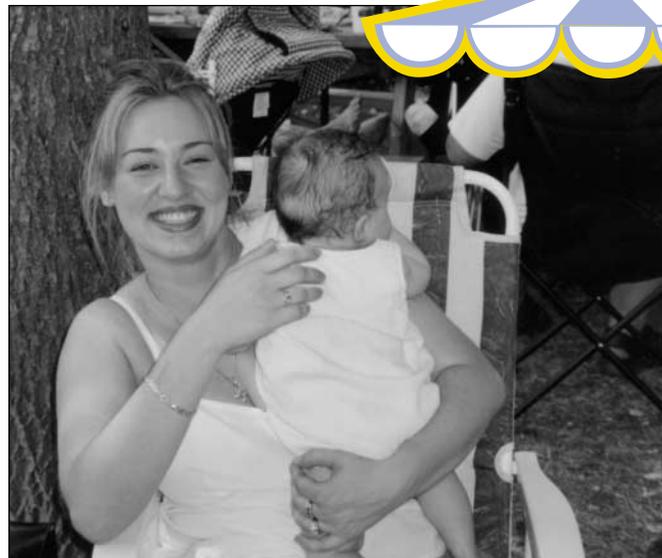
4) The bill eliminates the current 4-year service requirement for receipt of a child's annuity in the case of a non-duty-related death. It also deletes the current provision that an adopted child does not qualify for a child's annuity if he/she is not adopted before the member turns 55.

5) The bill eliminates employee retirement contributions for members receiving a non-duty-related disability benefit. Employee contributions still will be credited to the member's account during the period of disability, but will not be available for refund. This provision already applies to duty disability benefits.

6) The bill grants an automatic 3% compounded annual increase in retirement pension beginning on the later of: (a) the third year following retirement or (b) attainment of age 53. Currently, automatic annual increases are not payable until attainment of age 60. This was passed with the support of the City of Chicago.

7) The bill reduces the retirement age for Chicago Aldermen to 55 with 10 years of service, or to 60 with 8 years of service. Current retirement age is 60 with 10 years of service, or 65 with 8 years.

8) The bill allows certain members of the Chicago Municipal Employees and Laborers Pension Funds to transfer service credit from the Chicago Police Pension Fund.



Nomination and Election Notice

(continues from page 8)

2) Be employed at the craft within the jurisdiction of the Local for a period of 24 consecutive months prior to October 2002.

3) Be a member who is not a supervisor under federal law.

4) Be eligible to hold office if elected.

For other factors relating to eligibility, refer to Article XVIII of the International Constitution and to the **Rules for IBT Local 726 Officer Election**.

NO MEETING ATTENDANCE REQUIREMENT SHALL BE ENFORCED AS A CONDITION OF ELIGIBILITY TO RUN FOR ANY OFFICE.

The member must accept the nomination at the time it is made either in person, or, if absent, in writing.

It is strongly recommended that each prospective nominee, nominator, and seconder request verification of his/her good standing eligibility to run, second, and nominate. This request shall be made in writing to James W. Green, Jr., Election Officer, at the address below, in advance of the nomination meeting.

• **Mail Ballot Election** – The election for the offices of Secretary-Treasurer, President, Vice-President and Recording Secretary (the preceding 4 officers will also be elected Business Agents) and for 3 Trustees will be conducted by mail ballot.

• **Ballots will be mailed on or about October 31, 2002** to all members in good standing as of that date. To be eligible to vote, a member must be otherwise in good standing, and his/her dues paid through October 2002. Additionally, under and in accordance with Article X, Section 5 (c) of the International Constitution, each member otherwise in good standing whose dues record does not reflect that his/her dues have been paid, through October 2002, who pays his/her dues by check-off, and whose employer has remitted dues for him/her in the last remittance made by such employer on or after October 1, 2002 shall be eligible to vote.

Each newly initiated member who is not otherwise in good standing by not having fully paid his/her initiation fees, and who pays his/her dues and initiation fees by check-off, and who has been employed in excess of 6 calendar months shall be deemed to be in good standing.

Only those ballots, which are returned to the address designated on the return envelope, will be counted. **Any eligible member not receiving a mail ballot by November 8, 2002, should contact the Election Officer** at the address or number listed below. The postmark or mailing date of the ballot will not be considered in determining the timely casting of the ballot. Only those ballots actually received at the address designated on the return envelope by 9:00 a.m. on Saturday, November 30, 2002 will be counted.

• **Counting of Mail Ballots** –The ballots will be counted on Saturday, November 30, 2002 starting at 9:00 a.m. at 300 South Ashland Avenue, Chicago, Illinois (Lower Hall). The Election Officer will perform and supervise all functions related to mail balloting.

• **Nominating Slates** – Each candidate nominated for office may campaign and appear on the ballot as a member of a slate of candidates, regardless of whether the slate is complete. No candidate shall be compelled to run as a member of a slate. No candidate shall be permitted to run on more than one slate. To form a slate, there shall be mutual consent between and among all candidates running on the slate. Such mutual consent shall be evidenced by the signing of a declaration by all members of the slate, giving the office that each candidate seeks and the name, of any, of the slate to be formed. Slate declaration forms shall be submitted to the Election Officer at the earliest possible date but in no event later than 5:00 p.m. Friday, October 25, 2002. Once a candidate declares his or her intent to form a slate, he/she may not retract such declaration.

• **Disqualification** – No candidate for election shall accept or use any contributions or other things of value received from any employers, representatives of an employer, foundation, trust or any similar entity. This prohibition shall not be interpreted to prevent receipt of contributions from fellow employees and members of Local Union 726. Violations of this provision shall be grounds for disqualification from holding office.

Elected officers of the Local Union shall, by virtue of such election, be delegates to any Joint Council with which the Local is affiliated as well as to any convention (excepting the International Union Convention) of any subordinate body, which may take place during their term of office.

The *Rules for IBT Local Union 726 Officer Election* are available from the Election Officer or from the Local Union.

For further information relating to the nominations or elections, please contact:

James W. Green, Jr.
Local 726 Election Officer
208 South LaSalle Street, Suite 1880
Chicago, IL 60604
Telephone: 312/364-9400, Fax: 312/364-9410

HAVE YOU MOVED?

Let us know your new address, so Local 726 can keep you up to date about your union.

Please include your name, new address, new telephone numbers and employer's name. Mail to Local 726.

Nomination and Election Notice for Teamsters Local 726 Officers

Nomination and election for the offices of Secretary-Treasurer, President, Vice-President and Recording Secretary, and for three (3) Trustees will take place as noted below. The four (4) officers will also be elected Business Agents.

- **Nomination Meeting**

Date: Wednesday, October 16, 2002

Time: 7:30 p.m.

Place: 300 South Ashland Avenue, Chicago (Lower Hall)

- **Mail Ballot Election Count**

Date: Saturday, November 30, 2002

Time: 9:00 a.m. until completion of Ballot Count

Place: 300 South Ashland Avenue, Chicago (Lower Hall)

- **Nomination for Office** – A member may be nominated and seconded orally from the floor by members in good standing other than the nominee. A member may also be nominated or seconded in writing by members in good standing.

Any written nomination or second must be submitted to Election Officer, James W. Green, Jr., at the address noted on page 7, at least one (1) day prior to the nomination meeting, and should state:

1) Whether it is a nomination or a second;

2) The name of the member being nominated or seconded; and

3) The office for which the nomination or second is being made.

It shall be signed by the member making the nomination or seconded by the member making the nomination or second with his/her Social Security number.

To be eligible to nominate or second, a member must have paid dues through August 2002. Dues arrearages must be paid by Wednesday, October 16, 2002 at 4:00 p.m. at the Local 726 Office, 300 South Ashland Avenue, Room 206, Chicago. No member may accept nomination to more than one office. Any member in good standing may nominate more than one candidate or second the nomination of any candidate.

- **To be eligible to run for office**, one must:

1) Be a member in continuous good standing of the Local Union, with one's dues paid to the Local for the period of 24 consecutive months prior to October, 2002, with no interruptions in active membership due to suspensions, expulsions, withdrawals, transfers or failure to pay fines or assessments.

(continues on page 7)

LOCAL 726 GENERAL MEMBERSHIP MEETINGS

Wednesday, Sept. 18, 7:30 p.m.

Wednesday, Oct. 16, 7:30 p.m.

Wednesday, Nov. 20, 7:30 p.m.

Wednesday, Dec. 18, 7:30 p.m.

General Membership Meetings are held in the Lower Level at 300 South Ashland Avenue. They're held at 7:30 p.m. on the third Wednesday of every month except June, July and August.

Teamsters Local Union 726

300 South Ashland
Room 206

Chicago, IL 60607

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