

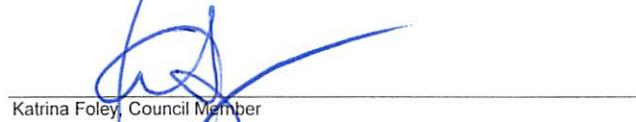
Fiscal Impact Analysis for COIN Ordinance
 Cost of Costa Mesa Police Association (CMPA) Contract
 CMPA Counter Proposal to the City's Proposal of July 15, 2015

	Value of Pay/ Benefit	Existing Contract FY 14-15 Cost to City (1)	Full Year Expiration of the 5% Employee Retirement Contrib.	CMPA Counter Proposal Projected FY 15-16 Cost to City	CMPA Counter Proposal Projected FY 16-17 Cost to City	CMPA Counter Proposal Projected FY 17-18 Cost to City	Existing Unfunded Liability	Projected Unfunded Liability	Existing Funded Liability	Projected Funded Liability
Base Salary (7)	varies	\$13,214,151	\$13,214,151	14,415,543	14,660,607	14,909,838				
Pension / Retirement Benefits (8)	3.0%@50 2.7%@57	6,708,022 Included above	7,445,881 Included above	6,676,809 Included above	7,490,262 Included above	8,048,849 Included above	82,006,287 (3)		143,166,937 (3)	
Cafeteria Plan Benefits	\$7,572	961,644	961,644	961,644	961,644	961,644				
Bilingual Pay	5.00%	104,937	104,937	114,381	116,326	118,303				
Bilingual Pay	2.50%	22,491	22,491	24,515	24,932	25,356				
Canine Care Pay	8.75%	0	0							
Field Training Pay	12.50%	15,859	15,859	17,286	17,580	17,879				
Police Hazardous Materials Pay		0	0							
Motor Officer Maintenance Pay	\$6,080	42,563	42,563	42,563	42,563	42,563				
Motor Officer Assignment Pay	5.00%	38,288	38,288	41,734	42,443	43,165				
Motor Training Officer Assign Pay	5.00%	0	0							
POST Advanced Certificate Pay	10.00%	987,711	987,711	1,077,817	1,096,140	1,114,774				
POST Intermediate Certificate Pay	5.00%	45,116	45,116	49,177	50,013	50,863				
Shooting Pay--Police Officers Pay	Point based	1,163	1,163	1,163	1,163	1,163				
Uniform Pay--Patrol	2.50%	245,784	245,784	267,905	272,459	277,091				
Estimated Costs:			0							
Medicare	1.45%	208,386	208,386	227,302	231,180	235,111				
Retiree Medical (4)	6.04%	798,135	798,135	870,699	885,501	900,554	12,315,588		1,083,560	
Overtime (5)		1,226,641	1,226,641	1,338,163	1,360,912	1,384,047				
Excess Accrual Payoff / Cash outs (6)		164,412	164,412	164,412	164,412	164,412				
Total		\$24,785,303	\$25,523,162	\$26,291,114	\$27,418,139	\$28,295,613				
Annual cost/(savings)			\$737,859	\$767,952	\$1,127,025	\$877,474				
Total Number of Employees		127	127	127	127	127				

Council Member Acknowledgement:


 Sandra Genis, Council Member


 Gary Monahan, Council Member


 Katrina Foley, Council Member

Notes:

- (1) - Cost of Contract per item based on FY 2014-15 Final Budget worksheets.
Includes 4% salary increase effective July 2014.
Existing Contract amounts have been updated primarily to correct retirement and motor officer maintenance pay.
- (2) - based on full year cost impact
- (3) - Amounts from PERS Valuation for the City's Safety Police Plan dated October 2014.
- (4) - 6.04% rate per employee is not explicit in the contract, however is calculated based on the Annual Required Contribution (ARC) amount calculated as of June 30, 2014 by Nyhart, an independent actuary for GASB 45 compliance, and documented in the City's CAFR.
Existing net unfunded liability is 93.2% of covered payroll based on the June 2014 Nyhart report.
- (5) - Overtime amount is not explicit in the contract, however is estimated based on the proportional share of budgeted amounts.
- (6) - Payoff - Cash out is not explicit in the contract, however is estimated based on the proportional share of budgeted amounts.
Amount could include payoff of accrued hours upon separation.
- (7) - Proposal includes provision for initial 9% salary increase and two annual cost of living adjustment equal to CPI (max 5%) if revenues (sales tax, property tax and TOT) increase each year.
Assumes the revenues increase and CPI is 1.7% per year. Affects all pay categories that are a percent of base pay.
- (8) - Applies PERS forecasted rates (less the proposed 9% + 5% employee contribution) per the PERS October 2014 Valuation for the City's Safety Police Plan.



COSTA MESA POLICE ASSOCIATION'S
COUNTER PROPOSAL TO THE CITY'S PROPOSAL OF
JULY 15, 2015

1. Term: Four (4) years. July 1, 2014 through June 30, 2018

2. CalPERS retirement contributions and offset.
 - a. Employees to pay entire portion of Employee Contribution to CalPERS equal to nine percent (9%) of pensionable income.
 - (1) Effective first pay period after ratification by both parties.

 - b. Nine percent (9%) across the board salary increase for all CMPA classifications.
 - (1) Effective first pay period after ratification by both parties.

3. CalPERS Cost Sharing.
 - a. Employees to pay five-percent (5%) of pensionable income to CalPERS to go toward the Employer Contribution, via "Cost Sharing."
 - (1) Effective upon ratification by both parties and will continue until the expiration date of the MOU.

4. Cost of Living salary adjustments.
 - a. If the "Big 3" revenues (Sales Tax, Property Tax, and Transient Occupancy Tax) increase in fiscal year 15/16 compared to fiscal year 14/15, then CMPA members will receive a Cost of Living adjustment of:
 - (1) An amount equal to the increase in the Consumer Price Index (CPI*), not to exceed two and one-half percent (2.5%).

CMPA COUNTER PROPOSAL – 07/15/2015

(Continued)

**CPI = The change in the Department of Labor's actual April Consumer Price Index, All Items (CPI-W) for Urban Wage Earners and Clerical Workers for the Los Angeles-Riverside-Orange Co. region for the period of April 2015 to April 2016*

(2) Effective the pay period including June 30, 2016

b. If the “Big 3” revenues (Sales Tax, Property Tax, and Transient Occupancy Tax) increase in fiscal year 16/17 compared to fiscal year 15/16, then CMAA members will receive a Cost of Living adjustment of:

(1) An amount equal to the increase in the Consumer Price Index (CPI*), not to exceed two and one-half percent (2.5%).

**CPI = The change in the Department of Labor's actual April Consumer Price Index, All Items (CPI-W) for Urban Wage Earners and Clerical Workers for the Los Angeles-Riverside-Orange Co. region for the period of April 2016 to April 2017*

(2) Effective the pay period including June 30, 2017.

5. Retiree Health Savings Plan (RHSP).

a. Should members receive a COLA in any amount per Section 4a. or Section 4b., the RHSP for employees would be reinstated. Members would contribute one percent (1%) of income. There would be no matching contributions from the City.

(1) Effective the same pay period as any COLA mentioned above.

6. Starting salary upon promotion.

a. Upon promotion, the new Sergeant's starting base salary shall be 15% above that of the base salary of top step Police Officer. This is consistent with the practice currently in place.

(1) Effective July 1, 2014.

7. Language clean up.

The CMAA would like to have a dialogue to remove outdated or irrelevant language carrying over from prior agreements. The discussion should include, but not be limited to

CMPA COUNTER PROPOSAL – 07/15/2015

(Continued)

references to ABLE, Flight FTOs, Corporal scheduling and the Physical Fitness Committee.

8. Continuation of language.

All language from the previous MOU will remain in full force and effect with the exception of the above mentioned items.

The CMPA eagerly awaits the City's response at the August 10th meeting.