

CITY OF COSTA MESA AND CMPA

NOVEMBER 9TH, 2015 CITY COUNTER PROPOSAL

TO CMPA

1. Term (Article 2): Four (4) years. July 1, 2014 through June 30, 2018.
2. CalPERS retirement contribution (Article 5): CMPA to assume responsibility for paying the entire nine (9%) employee contribution in the following increments:
 - a. Effective January 1, 2016, CMPA to pay 3%
 - b. Effective July 1, 2016, CMPA to pay 3%
 - c. Effective July 1, 2017, CMPA to pay 3%
3. CalPERS Cost Sharing (Article 5): CMPA members to pay five percent (5%) of their pensionable income toward the City's Employer Contribution to CalPERS, effective January 1, 2016.
4. Salary Adjustment (Article 3): CMPA members to receive total 9% salary increase, as follows:
 - a. Effective January 1, 2016, CMPA to receive 3% salary increase;
 - b. Effective July 1, 2016, CMPA to receive 3% salary increase; and,
 - c. Effective July 1, 2017, CMPA to receive 3% salary increase.
5. Vacation Leave (Article 14.1, subsection 9):
 - a. Reduce Vacation Accrual Cap from 424 hours to 320 hours with no automatics cash outs when cap is hit. Hard cap would go into effect in 12 months.
 - b. Vacation Leave Cash Outs
 - 1 time MOU implementation cash out, no usage requirement, employees may cash down to 240 hours.
 - 1 80-hour cash out per year, regardless of cap and usage, any time during each fiscal year.
 - 4 up-to 80-hour cash outs per year, irrespective of quarter, based on "2 for 1" usage ratio (if employee uses 10 hours of vacation, can cash out 20 hours, up to 80 hour max [which would mean 40 hour usage])

c. 2nd Tier Annual Vacation Accruals for New Employees:

- 0-2 years 80 hours
- 3-6 years 120 hours
- 7-12 years 140 hours
- 12-14 years 160 hours
- 15-19 years 180 hours
- 20+ years 200 hours

6. Sick Leave (Article 15):

- a. For employees hired prior to Council adoption of MOU, combine primary and secondary sick leave accounts and freeze at total hours on date of MOU adoption.

Employees can draw from either frozen bank or new SICK LEAVE BANK; no additional time will go into frozen bank.

Employees will have 18 month grace period, through July 1 2017, to decide whether to retire, and will have (current – 240 max) cash out options related to frozen bank.

- b. After grace period/retirement window, no cash out/no cash value of any primary or secondary account balances.
- c. As regards primary and secondary sick leave accounts, maintain 100% sick leave conversion to service credit at 1 day = 0.004 years service credit.
- d. For employees hired on and after Council adoption of MOU, there shall be no primary or secondary accounts.
- e. For all employees going forward, the first payroll period commencing on or after Council adoption of MOU, each employee, whether or not having a primary and/or secondary sick leave account, will be initially credited with 96 hours in their SICK LEAVE BANK, and thereafter shall earn 3.69 hours of sick leave per pay period (this would equate to 96 hours per year), not to exceed 192 max accrual. If employees reach the max 192 hour accrual, they will be able to cash out accruals (3.69 hours per pay period).
- f. No cash out/no cash value as to the SICK LEAVE BANK; service credit conversion.

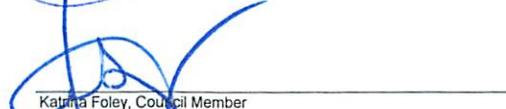
Fiscal Impact Analysis for COIN Ordinance
 Cost of Costa Mesa Police Officers Association (CMPA) Contract
 City Offer November 09, 2015 (3.0% 3.0% 3.0%)

	Value of Pay/ Benefit	Existing Contract FY 14-15 Cost to City (1)	Full Year Expiration of the 5% Employee Retirement Contr.	City Counter Offer Projected FY 15-16 Cost to City	City Counter Offer Projected FY 16-17 Cost to City	City Counter Offer Projected FY 17-18 Cost to City	Existing Unfunded Liability	Projected Unfunded Liability	Existing Funded Liability	Projected Funded Liability
Base Salary	varies	\$13,214,151	\$13,214,151	\$13,412,363	14,020,211	14,440,817				
Pension / Retirement Benefits	3.0%@50 2.7%@57	6,708,022 Included above	7,445,881 Included above	7,735,716	7,640,365	7,810,024	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	106,511	111,338	114,678				
Bilingual Pay	2.50%	22,491	22,491	22,828	23,863	24,579				
Canine Care Pay	8.75%	0	0	0	0	0				
Field Training Pay	12.50%	15,859	15,859	16,097	16,826	17,331				
Police Hazardous Materials Pay		0	0	0	0	0				
Motor Officer Maintenance Pay	\$4,637	42,563	42,563	42,563	42,563	42,563				
Motor Officer Assignment Pay	5.00%	38,288	38,288	38,862	40,624	41,842				
Motor Training Officer Assign Pay	5.00%	0	0	0	0	0				
POST Advanced Certificate Pay	10.00%	987,711	987,711	1,002,527	1,047,961	1,079,400				
POST Intermediate Certificate Pay	5.00%	45,116	45,116	45,793	47,869	49,305				
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	249,471	260,777	268,600				
Estimated Costs:										
Medicare	1.45%	208,386	208,386	211,511	221,097	227,730				
Retiree Medical (4)	6.04%	798,135	798,135	810,107	846,821	872,225	12,315,588		1,083,560	
Overtime (5)		1,226,641	1,226,641	1,245,040	1,301,465	1,340,509				
Excess Accrual Payoff / Cash outs (6)		164,412	164,412	63,557	66,438	68,431				
Total		\$24,785,303	\$25,523,162	\$25,965,754	\$26,651,025	\$27,360,843				
Annual Difference			\$737,859	\$442,593	\$685,271	\$709,818				
Total Number of Employees		127								

Council Member Acknowledgement:


 Sandra Genis, Council Member


 Gary Monahan, Council Member


 Katrina Foley, Council Member

- (1) - Cost of Contract per item based on FY 2014-15 Preliminary Budget worksheets.
Includes 4% salary increase effective July 2014.
- (2) -
- (3) - Amounts from PERS Valuation for the City's Safety Police Plan dated October 2014.
5% Employee contribution toward retirement expired during the first payperiod of March 2015.
- (4) - 6.04% rate per employee is not explicit in the contract, however is calculated based on the Annual Required Contribution (ARC) amount as 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 per the 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.