

COSTA MESA FIREFIGHTER'S ASSOCIATION

CONTRACT NEGOTIATIONS - ASSOCIATION PROPOSAL #1

JUNE 8, 2016

<u>Item</u>	<u>Proposal</u>																																	
1. Article 5 – Health Insurance	<p>The Costa Mesa Firefighters Association receive, by far, the lowest city contribution towards medical of any rank and file bargaining unit. They are second to last, only to the police lieutenants. By contrast, part-time city council members, and nearly all managers for the city receive double, and triple, the amount as the firefighters. The fact that police and fire receive the lowest city contribution, but are more likely to be injured in the course of their job, is not fair or equitable.</p> <p>With respect to medical contributions, the following is a chart published on the city's website, showing city contributions towards medical insurance:</p> <p style="text-align: center;">The City contributes the following towards employee health benefits (Medical, Life Insurance & Long Term Disability*) on a monthly basis:</p> <table border="1" style="width: 100%; border-collapse: collapse; margin: 10px 0;"> <thead> <tr style="background-color: #333333; color: white;"> <th style="text-align: center;">GROUP</th> <th style="text-align: center;">BI-WEEKLY* CITY CONTRIBUTION</th> <th style="text-align: center;">MONTHLY CITY CONTRIBUTION</th> </tr> </thead> <tbody> <tr><td>City Council</td><td style="text-align: right;">\$907.55</td><td style="text-align: right;">\$2,042.00</td></tr> <tr><td>At-Will & Department Directors</td><td style="text-align: right;">\$907.55</td><td style="text-align: right;">\$2,042.00</td></tr> <tr><td>Division Managers</td><td style="text-align: right;">\$901.77</td><td style="text-align: right;">\$2,029.00</td></tr> <tr><td>Captains (Police Management)</td><td style="text-align: right;">\$444.44</td><td style="text-align: right;">\$1,000.00</td></tr> <tr><td>Lieutenants (Police Management)</td><td style="text-align: right;">\$233.78</td><td style="text-align: right;">\$526.00</td></tr> <tr><td>General Employees</td><td style="text-align: right;">\$408.44</td><td style="text-align: right;">\$919.00</td></tr> <tr><td>Confidential</td><td style="text-align: right;">\$408.44</td><td style="text-align: right;">\$919.00</td></tr> <tr><td>Fire Management</td><td style="text-align: right;">\$796.44</td><td style="text-align: right;">\$1,792.00</td></tr> <tr><td>Fire – sworn</td><td style="text-align: right;">\$247.11</td><td style="text-align: right;">\$556.00</td></tr> <tr><td>Police – sworn</td><td style="text-align: right;">\$280.44</td><td style="text-align: right;">\$631.00</td></tr> </tbody> </table> <p style="text-align: center;">*Please note, if time without pay (ABS) is taken, the City's Flex Bucket Contribution is turned off for that pay period.</p> <p>In addition, according to the total compensation salary surveys conducted by the Association, Costa Mesa Firefighters are among the lowest paid and benefitted among comparable cities. Due to this, the Fire Department is finding it difficult to attract and retain exceptional personnel. In the most recent hiring process, the City hired 6 new members. The City invested a significant amount of time, resources and effort training these new members. Five of these 6 new members (83%) have now ended up separating from the</p>	GROUP	BI-WEEKLY* CITY CONTRIBUTION	MONTHLY CITY CONTRIBUTION	City Council	\$907.55	\$2,042.00	At-Will & Department Directors	\$907.55	\$2,042.00	Division Managers	\$901.77	\$2,029.00	Captains (Police Management)	\$444.44	\$1,000.00	Lieutenants (Police Management)	\$233.78	\$526.00	General Employees	\$408.44	\$919.00	Confidential	\$408.44	\$919.00	Fire Management	\$796.44	\$1,792.00	Fire – sworn	\$247.11	\$556.00	Police – sworn	\$280.44	\$631.00
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	<p>City in a very short period of time. All of the time, resources and effort has now been wasted.</p> <p>Further, this Association was the first in the City to voluntarily begin contributing 5% towards their pension, and members agreed to it retroactively. Members have not received any wage increase since 2008, despite the cost of living continuing to increase.</p> <p>Based on this, the Association requests that the city provide Association members with the following medical contributions, retroactive to 1/1/16:</p> <ul style="list-style-type: none"> • Full family coverage for PERS Choice 90/10 PPO • Full life insurance premium coverage • Full Long Term Disability coverage <p>This will give the association benefits closer to what the city council members and Fire Chief Officer group receive.</p>
<p>2. Article 17 – Specialty Assignment Pay</p>	<p>Arson investigators in the comparable agencies each receive specialty pay ranging from 5% to 22%. Each comparable agency pays its investigators an amount in that range. The Association requests that the City provide its investigators with a 5% specialty pay.</p>
<p>3. City’s re-write of the MOU</p>	<p>Page 2: reject insertion of this into the MOU.</p> <p>1.3: reject; the COIN ordinance has not been negotiated.</p> <p>1.4, 1.5 & 1.8: reject.</p> <p>1.7: reject; the City’s proposed elimination of the zipper clause is inconsistent with what comparable cities have in their MOU’s. See Association handout on zipper clauses.</p> <p>2.1: pending; have not identified a contract duration yet.</p> <p>Article 3: reject; the parties have an outstanding side letter covering this issue that does not expire until June 2017; thus, there can be no changes to this Article at this time.</p> <p>Article 5: need an explanation as to what this means.</p> <p>Articles 6 & 7: reject; the parties have an outstanding side letter covering this issue that does not expire until June 2017; thus, there can be no changes to this Article at this time.</p> <p>Article 10:</p>

10.2: reject; counter with all paid time off counting as hours worked for purposes of the FLSA.

10.5: accept.

Article 12: reject; the parties have an outstanding side letter covering this issue that does not expire until June 2017; thus, there can be no changes to this Article at this time.

Article 14: need further clarification on this item.

Article 17: reject; the parties have an outstanding side letter covering this issue that does not expire until June 2017; thus, there can be no changes to this Article at this time.

Article 20: reject.

Article 21: reject

~~Article 22: ?~~

Article 25: reject.

Article 30: reject.

Article 31:

31.2: reject.

31.4: reject.

31.6: accept addition of "suspension, or written reprimand." Reject the proposal that verbal reprimands (which they don't utilize) and denial of merit increases don't warrant an appeal.

31.7 & 31.8: reject.

Article 34.2: reject.

Fiscal Impact Analysis for COIN Ordinance
 Cost of Costa Mesa Fire Association (CMFA) Contract
 CMFA Proposal # 1 June 8, 2016

	Value of Pay/ Benefit	Existing Contract FY 15-16 Cost to City	Existing Contract FY 16-17 Cost to City (1)	Association Proposal # 1 June 8, 2016	Existing Unfunded Liability	Projected Unfunded Liability	Existing Funded Liability	Projected Funded Liability
Base Salary	varies	\$7,225,750	\$7,172,219	\$7,172,219				
Pension / Retirement Benefits	3% @ 50 2% @ 50	4,516,575 Included above	5,058,625 Included above	5,058,625	29,070,888 (3)	29,070,888	112,404,728 (3)	112,404,728
Pension Fire Side Fund Balance					21,061,457 (3)	21,061,457	N/A	N/A
Cafeteria Plan Benefits	\$6,672	487,056	516,720	1,827,266				
Arson Investigator	5.00%	0	0	30,940				
Bilingual Pay	5.00%	69,146	108,651	108,651				
Bilingual Pay	2.50%	7,144	17,285	17,285				
Licenses & CERT Program		474,711	472,219	472,219				
Paramedic Assignment Pay	\$500	4,000	20,157	20,157				
Holiday Allowance		333,496	287,081	287,081				
Longevity Pay		2,268	2,268	2,268				
Fire Administration Pay	10.00%	11,408	11,408	11,408				
Estimated Costs:								
Medicare	1.45%	116,426	117,747	117,747				
Retiree Medical (4)	6.04%	436,435	433,202	433,202	7,272,630	7,272,630	0	0
Overtime (5)		1,907,878	2,046,097	2,046,097				
Excess Accrual Payoff / Cash outs (6)		34,195	34,555	34,555				
Total		<u>\$15,626,488</u>	<u>\$16,298,235</u>	<u>\$17,639,720</u>				
Difference:				<u>\$1,341,486</u>				
Total Number of Employees		73	73	73				

Council Member Acknowledgement:

 Stephen Mensinger, Mayor

 James Righheimer, Mayor Pro-Tem

 Sandra Genis, Council Member

 Gary Monahan, Council Member

 Katrina Foley, Council Member

- (1) - Cost of Contract per item based on FY 2016-17 Adopted Budget.
- (2) - Association's proposal includes City provides cost of health insurance and adds Arson Investigator specialty pay.
- (3) - Amounts from PERS Valuation for the City's Fire Plan as of June 30, 2014.
 Fire Side Fund balance per CalPERS Valuation as of June 30, 2015, page 8.
- (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 unfunded liability is 101.4% 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.