



*Costa Mesa Police Management Association*

## **SECOND PROPOSAL TO CITY OF COSTA MESA**

**June 7, 2018**

The Costa Mesa Police Management Association (CMPMA) provides the following counter proposal based on the four primary concerns and points brought up by our members. They are:

1. Obtaining a PERSable gain through the life of the contract.
2. Addressing the compaction and net pay between its two member ranks (Captain and Lieutenant).
3. Establishing a contract that promotes longevity and retention of CMPMA members of which 75% are currently eligible for retirement.
4. The scope of the negotiable items remain specifically to the items presented by the City and CMPMA in their initial proposals.

### **ARTICLE 2 – TERM OF AGREEMENT**

Term (Article 2): Four (4) years. July 1, 2018 through June 30, 2022.

### **ARTICLE 3 – SALARY**

Year 1 – Beginning with the first full pay period starting in July 2018: 4.5 % increase for all classifications subject to this MOU.

Year 2 – Beginning with the first full pay period starting in July 2019: 4.5% increase for all classifications subject to this MOU.

Year 3 – Beginning with the first full pay period starting in July 2020: 4.5% increase for all classifications subject to this MOU.

Year 4 – Beginning with the first full pay period starting in July 2021: 4.5 % increase for all classifications subject to this MOU.

**ARTICLE 4 – HEALTH INSURANCE**

Beginning with the first full pay period starting after ratification of this MOU by the City Council; the monthly contribution for all classifications subject to this MOU shall be increased from \$526 to \$2,119, of which \$1,060 per month maximum can be cashed out for Lieutenants and from \$1,000 to \$2,119, of which \$1,060 per month maximum can be cash out for Captains.

**ARTICLE 5 – RETIREMENT**

**Increases in employee contributions. All employees to pay 14% of compensation earnable/pensionable compensation by the third year of this of MOU per the schedule below when combining both employee contributions plus cost sharing paid by employees:**

**TIER 1 (Currently 9% EPMC plus 5% cost sharing under Government Code Section 20516(f) for a total employee contribution of 5%).**

Beginning with the first full pay period July starting after ratification of this MOU by the City Council:

EPMC reduced from 9% for all Tier 1 members to 6%.

(Total employee contributions plus cost sharing = 8%).

Beginning with the first full pay period starting in July 2019:

EPMC reduced from 6% for all Tier 1 members of the unit to 3%.

(Total employee contributions plus cost sharing = 11%).

Beginning with the first full pay period starting in July 2020:

EPMC reduced from 3% for all Tier 1 members of the unit to 0%.

(Total employee contributions plus cost sharing = 14%).

**ARTICLE 10 – POST PAY**

Establish 3% Advanced Professional Development longevity pay for Captains after two (2) years in rank and after completing the POST Executive Development Course and graduating with a Master’s Degree, Command College, FBI National Academy or equivalent. An additional 3% after five (5) years in rank.

-OR-

Establish 5% Advanced Professional Development pay for Captains after two (2) years in rank and after completing the POST Executive Development Course and graduating with a Master's Degree, Command College, FBI National Academy or equivalent.

**OVERTIME REQUEST**

(Rejected by City)

**COMPENSATORY TIME**

Authorize accrual of compensatory time in lieu of pay with a 120-hour cap.

**TECHNOLOGY ALLOWANCE**

Beginning with the first full pay period July starting after ratification of this MOU by the City Council, \$75 per month for technology allowance.

**RETIREMENT HEALTH SAVINGS PLAN**

(Rejected by City)

Sincerely,

Keith Davis

President, Costa Mesa Police Management Association

**Fiscal Impact Analysis for COIN Ordinance  
 Cost of Costa Mesa Police Management Association (CMPMA) Contract  
 Based on Fiscal Year 2017-18 Budgeted Costs  
 CMPMA Proposal #2 Dated 6/7/18**

	Value of Pay/ Benefit	Existing Contract FY 17-18 Cost to City (1)	Costs to City for Proposal #2 (6)				Existing Unfunded Liability	Projected Unfunded Liability	Existing Funded Liability	Projected Funded Liability
			FY 18-19 Cost to City	FY 19-20 Cost to City	FY 20-21 Cost to City	FY 21-22 Cost to City				
Base Salary		\$ 1,272,258	\$ 1,329,510	\$ 1,389,338	\$ 1,451,858	\$ 1,517,191				
Pension / Retirement Benefits	3.0% @ 50	901,741	995,279	1,107,181	1,207,308	1,343,033	\$ 9,989,667 (2)	\$ 14,226,417	\$ 13,118,040 (2)	
Cafeteria Plan Benefits (Capt)	\$ 2,119	50,856	50,856	50,856	50,856	50,856				
Cafeteria Plan Benefits (Lt)	\$ 526	31,872	152,568	152,568	152,568	152,568				
Deferred Compensation 401a		1,766	1,846	1,929	2,015	2,106				
Bilingual Pay		8,859	9,258	9,674	10,110	10,565				
POST Advanced Certificate Pay	10.00%	91,903	96,038	100,360	104,876	109,596				
POST Advanced Prof Dev Pay (Capt) (5)	5.00%	0	18,456	19,287	20,155	21,062				
POST Management Certificate Pay	5.00%	17,662	18,456	19,287	20,155	21,062				
Advanced Professional Development	5.00%	0	11,074	11,572	12,093	0				
Shooting Pay--Police Officers Pay	Point based	0	0	0	0	0				
Uniform Pay--Patrol	2.50%	18,945	19,798	20,689	21,620	22,593				
Assigned Vehicle Cost		50,835	50,835	50,835	50,835	50,835				
Technology Allowance	\$ 75	0	7,200	7,200	7,200	7,200				
Retirement Health Plan		0	0	0	0	0				
Estimated Costs:										
Medicare	1.45%	20,619	21,547	22,516	23,530	24,588				
Retiree Medical (3)	8.87%	112,849	117,928	123,234	128,780	134,575	1,909,659		0	
Excess Accrual Payoff / Cash outs (4)		31,425	32,839	34,317	35,861	37,475				
Proposed Lieutenant Overtime		0	55,407	57,900	60,505	63,228				
<b>Total</b>		<b>\$ 2,611,589</b>	<b>\$ 2,988,894</b>	<b>\$ 3,178,742</b>	<b>\$ 3,360,325</b>	<b>\$ 3,568,532</b>				
Annual \$ Increase			\$ 377,304	\$ 189,849	\$ 181,582	\$ 208,208				
Annual % Increase			14.4%	6.4%	5.7%	6.2%				
Four year increase			---	---	---	\$ 956,943				
Total Number of Employees		8	8	8	8	8				

Notes:

- (1) - Cost of Contract per item based on FY 2017-18 Adopted Budget worksheets.
- (2) - Amounts from June 30, 2016 PERS Valuation for the City's Safety Police Plan prorated to this group.
- (3) - 8.87% rate is calculated based on the Annual Required Contribution (ARC) amount calculated as of June 30, 2016 by Nyhart, an independent actuary for GASB 45 compliance. Total liability is 150.1% of covered payroll per page 5 of the same Nyhart report.
- (4) - Payoff - Cash out is not explicit in the contract, however is based on 12 months actual payouts for this group.
- (5) - Proposal requested the City to establish of a 5% Advances Professional Development pay for Captains after two (2) years in rank and after completing certain education requirements which totaled \$78,960 or to establish a 3% Advanced Professional Development longevity pay for Captains after two (2) years in rank after completing certain education requirements and an additional 3% longevity pay after five (5) years in rank which totaled \$73,868. For purposes of this analysis, the first request was used due to the higher cost.
- (6) - Analysis for Proposal #1 included an impact on FY 17/18 because the initial proposal requested a increase upon adoption. As a result of negotiations continuing into FY 18/19, there is no fiscal impact on FY 17/18 therefore this column has been removed.


Fiscal Impact Analysis for COIN Ordinance  
Cost of Costa Mesa Police Management Association (CMPMA) Contract  
Based on Fiscal Year 2017-18 Budgeted Costs  
**CMPMA Proposal #2 Dated 6/7/18**

**Council Member Acknowledgement:**



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Sandra Genis, Mayor



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Allan Mansoor, Mayor Pro-Tem



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Katrina Foley, Council Member

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James Rigeimer, Council Member



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John Stephens, Council Member