



Costa Mesa Police Management Association

THIRD PROPOSAL TO CITY OF COSTA MESA

July 3, 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% increase for all classifications subject to this MOU.

Year 2 – Beginning with the first full pay period starting in July 2019: 4% increase for all classifications subject to this MOU.

Year 3 – Beginning with the first full pay period starting in July 2020: 4% increase for all classifications subject to this MOU.

Year 4 – Beginning with the first full pay period starting in July 2021: 0% 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 three (3) 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 approved compensatory time in lieu of pay with a 40-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 #3 Dated 7/3/18**

	Value of Pay/ Benefit	Existing Contract FY 17-18 Cost to City (1)	Costs to City for Proposal #3 (5)				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	\$ 1,323,148	\$ 1,376,074	\$ 1,431,117	\$ 1,431,117				
Pension / Retirement Benefits	3.0% @ 50	901,741	990,517	1,096,611	1,190,061	1,266,840	\$ 9,989,667 (2)		\$ 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	37,872	152,568	152,568	152,568	152,568				
Deferred Compensation 401a		1,766	1,837	1,910	1,987	1,987				
Bilingual Pay		8,859	9,213	9,582	9,965	9,965				
POST Advanced Certificate Pay	10.00%	91,903	95,579	99,402	103,378	103,378				
POST Advanced Longevity Pay (Capt)	3.00%	0	11,021	11,462	11,920	11,920				
POST Management Certificate Pay	5.00%	17,662	18,368	19,103	19,867	19,867				
Advanced Professional Development	5.00%	0	11,021	11,462	11,920	0				
Shooting Pay--Police Officers Pay	Point based	0	0	0	0	0				
Uniform Pay--Patrol	2.50%	18,945	19,703	20,491	21,311	21,311				
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	21,444	22,301	23,193	23,193				
Retiree Medical (3)	8.87%	112,849	117,363	122,058	126,940	126,940	1,909,659		0	
Excess Accrual Payoff / Cash outs (4)		31,425	32,682	33,989	35,349	35,349				
Proposed Lieutenant Overtime		0	0	0	0	0				
Total		\$ 2,617,589	\$ 2,913,355	\$ 3,085,904	\$ 3,248,468	\$ 3,313,326				
Annual \$ Increase			\$ 295,766	\$ 172,549	\$ 162,564	\$ 64,858				
Annual % Increase			11.3%	5.9%	5.3%	2.0%				
Four year increase			---	---	---	\$ 695,737				
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 this amount is based on 12 months actual payouts for this group.
- (5) - Analysis for Proposal #1 included an impact on FY 17/18 because the initial proposal requested an 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.

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Council Member Acknowledgement:



Sandra Genis, Mayor



Allan Mansoor, Mayor Pro-Tem



Katrina Foley, Council Member

James Righeimer, Council Member



John Stephens, Council Member