

CITY OF COSTA MESA - FIRE MANAGEMENT NEGOTIATIONS SUMMARY

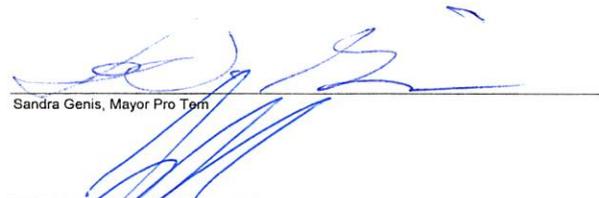
Item	CMFMA Proposal 4/7/17	City Counter Proposals 4/18/17	CMFMA Proposal 4/24/17	Tentative Agreement
Total Cost	\$366,140 (5 years)	\$268,441 (5 years)	\$296,978 (5 years)	\$296,978 (5 years)
Term Article 2	5 years (July 1, 2017 - June 30, 2022)	Agree	Agree	Agree
Basic Salaries and Wages Article 3	Salary Increase: July 1, 2017 - 9%	Salary Increase: July 1, 2017 - 3%	Salary Increase: July 1, 2017 - 4.5%	
	January 1, 2018 = 3%	July 1, 2018 = 3%	July 1, 2018 = 4.5%	
	July 1, 2019 = 3%	July 1, 2019 = 3%	July 1, 2019 = 4%	Agree
	July 1, 2020 = 3%	July 1, 2020 = 3%	July 1, 2020 = 3%	
	July 1, 2021 = 3%	July 1, 2021 = 3%	July 1, 2021 = 2%	
	(Total over term of contract = 21%)	(Total over term of contract = 15%)	(Total over term of contract = 18%)	
Retirement Article 6	Currently Fire Management is paying 5% towards the cost of retirement.	Salary Increase: July 1, 2017 - 3%	Salary Increase: July 1, 2017 - 4.5% (along with the 5% would equal 9.5%)	
	July 1, 2017 = 9%	July 1, 2018 = 3%	July 1, 2018 = 4.5% (along with the 5% would equal 14%)	
	January 1, 2018 = 3%	July 1, 2019 = 3%	July 1, 2019 = 3% (along with the 5% would equal 17%)	Agree
	(Total over term of contract = 12% and with the 5% they are currently paying the total would be 17% when fully implemented)	July 1, 2020 = 3%		
		(Total over term of contract = 12% and with the 5% they are currently paying the total would be 17% when fully implemented)	(Total over term of contract = 12% and with the 5% they are currently paying the total would be 17% when fully implemented)	
Calculation of Overtime Hours for FLSA (Article 10)	Eliminating the use of sick leave & vacation as time worked.	Agree	Agree	Agree
Compensatory Time (Article 10)	Deputy/Division Chief can accrue compensatory time in lieu of pay at straight time	Agree with the addition of 100 hour cap	Agree	Agree
Executive Leave (Article 10)	Executive leave eliminated effective January 1, 2018	Agree	Agree	Agree
Vacation (Article 25)	Reduce the vacation cap to the 56 hour equivalent of 320 hours (similar to Police) and change the corresponding vacation accruals to reflect the new cap. Add the vacation cash out provisions that were added to the Police contract	Agree	Agree	Agree
Retiree Health Savings Account (Article 7)	Reinstate the Retiree Health Savings Account (RHS) on July 1, 2017, including the City's 1% contribution	Reject	Agree	Agree
Technology Allowance (Article 17)	\$75 per month (consistent with executives & division managers city-wide)	Agree, but with the additional language that a member is only eligible if they do not have a City provided cell phone	Agree	Agree
Administrative Assignment Pay (Article 18)	Establish at 5%	Agree	Agree	Agree
Certification (Article 22)	Adding California Specialized Training Institute PIO to the certification program, but no changing the maximum amount they are eligible to receive.	Agree	Agree	Agree
Disciplinary Procedures	Removes the out of date disciplinary procedures out and references the current procedures in the Personnel Rules and Regulations	Agree	Agree	Agree

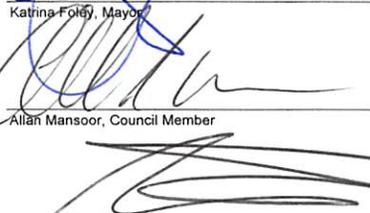
Fiscal Impact Analysis for COIN Ordinance
 Cost of Costa Mesa Fire Management Association (CMFMA) Contract
 CMFMA Proposal April 24, 2017

	Value of Pay/ Benefit	Existing Contract FY 16-17 Cost to City (1)	CMFMA Proposal April 24, 2017 FY 17-18	CMFMA Proposal April 24, 2017 FY 18-19	CMFMA Proposal April 24, 2017 FY 19-20	CMFMA Proposal April 24, 2017 FY 20-21	CMFMA Proposal April 24, 2017 FY 21-22	Existing Unfunded Liability	Projected Unfunded Liability	Existing Funded Liability	Projected Funded Liability
Base Salary	varies	\$573,886	\$599,710	\$626,697	651,765	671,318	684,744				
Pension / Retirement Benefits	3.0%@50	400,326	417,085	441,065	474,916	508,501	537,309	2,303,015	(3) 2,303,015	8,904,771	(3) 8,904,771
Pension Fire Side Fund Balance								1,668,503	(3) 1,668,503		
401(a) Plan	0.50%	2,869	2,999	3,133	3,259	3,357	3,424				
Cafeteria Plan Benefits	\$21,504	86,016	86,016	86,016	86,016	86,016	86,016				
Bilingual Pay	5.00%	0	0	0	0	0	0				
Bilingual Pay	2.50%	0	0	0	0	0	0				
Licenses & CERT Program		28,985	30,290	31,653	32,919	33,906	34,585				
Fire Administrative Pay	10.00%	0	0	0	0	0	0				
Paramedic Assignment Pay	\$500	0	0	0	0	0	1,768				
Holiday Allowance		19,160	20,022	20,923	21,760	22,413	22,861				
Technology Allowance	\$75	0	3,600	3,600	3,600	3,600	3,600				
Estimated Costs:											
Medicare	1.45%	9,112	8,696	9,087	9,451	9,734	9,929				
Retiree Health Savings Account	1.00%	0	0	0	0	0	0				
Retiree Medical (4)	6.04%	34,663	36,222	37,852	39,367	40,548	41,359	608,106		0	
Overtime (5)		196,647	190,634	199,212	207,181	213,396	217,664				
Excess Accrual Payoff / Cash outs (6)		27,871	29,125	30,436	31,653	32,603	33,255				
Total		\$1,379,535	\$1,424,399	\$1,489,675	\$1,561,886	\$1,625,392	\$1,676,513				
Difference:			\$44,864	\$65,276	\$72,211	\$63,506	\$51,121				
Percent increase:			3.3%	4.6%	4.8%	4.1%	3.1%				
Total Number of Employees		4	4	4	4	4	4				

Council Member Acknowledgement:


 Katrina Folgy, Mayor


 Sandra Genis, Mayor Pro Tem


 Allan Mansoor, Council Member


 James Righelmir, Council Member


 John Stephens, Council Member

Notes:

- (1) - Based on FY 16-17 Adopted Budget
- (2) - Cost of Contract per item based on FY 2016-17 Adopted Budget.
- (3) - Amounts from PERS Valuation for the City's Fire Plan as of June 30, 2014 prorated to the management group.
 Fire Side Fund balance per CalPERS Valuation as of June 30, 2015, page 8, prorated to the management group.
- (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.
 Total liability is 101.4% of covered payroll per the 2014 Nyhart report.
- (5) - Overtime amount is not explicit in the contract, however is based on the 2015 City Compensation Report.
- (6) - Payoff - Cash out is not explicit in the contract, however is estimated based based on the 2015 City Compensation Report.

Fiscal Impact Analysis for COIN Ordinance
 Cost of Costa Mesa Fire Management Association (CMFMA) Contract
 City Counter Proposal April 18, 2017

	Value of Pay/ Benefit	Existing Contract FY 16-17 Cost to City (1)	City Counter Prop April 18, 2017 FY 17-18	City Counter Prop April 18, 2017 FY 18-19	City Counter Prop April 18, 2017 FY 19-20	City Counter Prop April 18, 2017 FY 20-21	City Counter Prop April 18, 2017 FY 21-22	Existing Unfunded Liability	Projected Unfunded Liability	Existing Funded Liability	Projected Funded Liability
Base Salary	varies	\$573,886	\$591,102	\$608,835	627,100	645,913	665,290				
Pension / Retirement Benefits	3.0% @ 50	400,326	420,764	448,404	477,454	489,270	522,053	2,303,015	(3) 2,303,015	8,904,771	(3) 8,904,771
Pension Fire Side Fund Balance								1,668,503	(3) 1,668,503		
401(a) Plan	0.50%	2,669	2,956	3,044	3,135	3,230	3,326				
Cafeteria Plan Benefits	\$21,504	86,016	86,016	86,016	86,016	86,016	86,016				
Bilingual Pay	5.00%	0	0	0	0	0	0				
Bilingual Pay	2.50%	0	0	0	0	0	0				
Licenses & CERT Program		28,985	29,855	30,751	31,673	32,623	33,602				
Fire Administrative Pay	10.00%	0	0	0	0	0	0				
Paramedic Assignment Pay	\$500	0	0	0	0	0	1,768				
Holiday Allowance		19,160	19,735	20,327	20,937	21,565	22,212				
Technology Allowance	\$75	0	3,600	3,600	3,600	3,600	3,600				
Estimated Costs											
Medicare	1.45%	9,112	8,571	8,828	9,093	9,366	9,647				
Retiree Health Savings Account	1.00%	0	0	0	0	0	0				
Retiree Medical (4)	6.04%	34,663	35,703	36,774	37,877	39,013	40,184	599,377		0	
Overtime (5)		196,647	202,546	208,623	214,881	221,328	227,968				
Excess Accrual Payoff / Cash outs (6)		27,871	28,707	29,568	30,455	31,369	32,310				
Total		\$1,379,535	\$1,429,554	\$1,484,769	\$1,542,221	\$1,583,292	\$1,647,975				
Difference			\$50,019	\$55,215	\$57,452	\$41,071	\$64,684				
Percent increase			3.6%	3.9%	3.9%	2.7%	4.1%				
Total Number of Employees		4	4	4	4	4	4				

Council Member Acknowledgement.



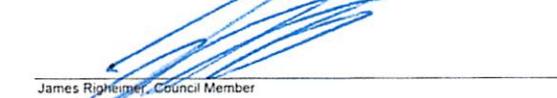
 Katrina Foley, Mayor



 Sandra Genis, Mayor Pro Tem



 Allan Mansoor, Council Member



 James Righelmer, Council Member



 John Stephens, Council Member

Notes:

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- (2) - Cost of Contract per item based on FY 2016-17 Adopted Budget
- (3) - Amounts from PERS Valuation for the City's Fire Plan as of June 30, 2014 prorated to the management group.
 Fire Side Fund balance per CalPERS Valuation as of June 30, 2015, page 8, prorated to the management group.
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 Total liability is 101.4% of covered payroll per the 2014 Nyhart report.
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Fiscal Impact Analysis for COIN Ordinance
 Cost of Costa Mesa Fire Management Association (CMFMA) Contract
 CMFMA Proposal April 7, 2017

	Value of Pay/ Benefit	Existing Contract FY 16-17 Cost to City (1)	CMFMA Proposal April 7, 2017 FY 17-18	CMFMA Proposal April 7, 2017 FY 18-19	CMFMA Proposal April 7, 2017 FY 19-20	CMFMA Proposal April 7, 2017 FY 20-21	CMFMA Proposal April 7, 2017 FY 21-22	Existing Unfunded Liability	Projected Unfunded Liability	Existing Funded Liability	Projected Funded Liability
Base Salary	varies	\$573,886	\$634,918	\$644,302	663,631	683,540	704,046				
Pension / Retirement Benefits	3.0% @ 50	400,326	400,047	432,387	483,557	517,754	552,446	2,303,015	(3) 2,303,015	8,904,771	(3) 8,904,771
Pension Fire Side Fund Balance								1,668,503	(3) 1,668,503		
401(a) Plan	0.50%	2,869	3,175	3,222	3,318	3,418	3,520				
Cafeteria Plan Benefits	\$21,504	86,016	86,016	86,016	86,016	86,016	86,016				
Bilingual Pay	5.00%	0	0	0	0	0	0				
Bilingual Pay	2.50%	0	0	0	0	0	0				
Licenses & CERT Program		28,985	32,058	32,542	33,518	34,524	35,559				
Fire Administrative Pay	10.00%	0	0	0	0	0	0				
Paramedic Assignment Pay	\$500	0	0	0	0	0	1,768				
Holiday Allowance		19,160	21,198	21,511	22,156	22,821	23,506				
Technology Allowance	\$75	0	3,600	3,600	3,600	3,600	3,600				
Estimated Costs											
Medicare	1.45%	9,112	9,206	9,342	9,623	9,911	10,209				
Retiree Health Savings Account	1.00%	0	6,349	6,443	6,636	6,835	7,040				
Retiree Medical (4)	6.04%	34,663	38,349	38,916	40,083	41,286	42,524	643,807		0	
Overtime (5)		196,647	217,560	220,776	227,399	234,221	241,248				
Excess Accrual Payoff / Cash outs (6)		27,871	30,835	31,291	32,230	33,196	34,192				
Total		\$1,379,535	\$1,483,321	\$1,530,347	\$1,611,768	\$1,677,122	\$1,745,675				
Difference:			\$103,786	\$47,026	\$81,421	\$65,354	\$68,553				
Percent increase:			7.5%	3.2%	5.3%	4.1%	4.1%				
Total Number of Employees		4	4	4	4	4	4				

Council Member Acknowledgement



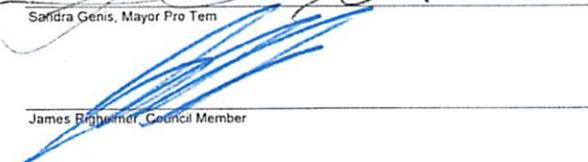
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Notes

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- (2) - Cost of Contract per item based on FY 2016-17 Adopted Budget
- (3) - Amounts from PERS Valuation for the City's Fire Plan as of June 30, 2014 prorated to the management group.
 Projected funded and unfunded liability may increase due to some annual salary increases greater than 3%
 Fire Side Fund balance per CalPERS Valuation as of June 30, 2015, page 8, prorated to the management group.
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