



**City of Costa Mesa  
Tentative Agreement to the Costa Mesa Police Association  
September 4, 2018**

**Below is the City's tentative agreement with the Costa Mesa Police Association.**

**Term**

- Two (2) years (July 1, 2018 - June 30, 2020)

**Flexible Benefit Contribution**

- Increase in monthly City contribution from \$631 to \$1,375 effective in the pay period, which includes July 1, 2018. On the same date, the maximum amount which an employee may receive for opting out of medical coverage and/or choosing medical coverage which is less expensive than the City's monthly contribution will increase from \$631 to \$846.
  
- Effective in the pay period which includes July 1, 2019, increase in monthly City contribution from \$1,375 to \$2,119. On the same date, the maximum amount which an employee may receive for opting out of medical coverage and/or choosing medical coverage which is less expensive than the City's monthly contribution will increase from \$846 to \$1,060 in taxable cash.

**Fiscal Impact Analysis for COIN Ordinance  
 Cost of Costa Mesa Police Association (CMPA) Contract  
 Based on Fiscal Year 2018-19 Budgeted Costs  
 CMPA City Proposal #2 Dated 9/4/18**

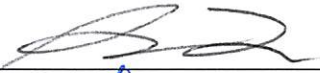
	Value of Pay/ Benefit	Base Summary Existing Contract FY 18-19 Cost to City (1)	Cost to City		Existing Unfunded Liability	Projected Unfunded Liability	Existing Funded Liability	Projected Funded Liability
			FY 18-19 Cost to City	FY 19-20 Cost to City				
Base Salary		\$ 13,908,217	\$ 13,908,217	\$ 13,908,217				
Pension / Retirement Benefits (3.0% @ 50)		6,582,148	6,582,148	7,372,507	\$ 113,617,488 (2)	\$ 106,959,738	\$ 161,157,811 (2)	
Pension / Retirement Benefits (2.7% @ 57)		2,870,933	2,870,933	3,202,086				
Cafeteria Plan Benefits (Year 1) per month	\$ 16,500	961,644	2,095,500					
Cafeteria Plan Benefits (Year 2) per month	25,428			3,229,356				
Bilingual Pay	5.00%	171,274	171,274	171,274				
Bilingual Pay	2.50%	14,765	14,765	14,765				
Canine Care Pay		0	0	16,287				
Field Training Pay	12.50%	50,610	50,610	50,610				
Police Hazardous Materials Pay		0	0	0				
Motor Officer Maintenance Pay	\$6,645	33,225	33,225	33,225				
Motor Officer Assignment Pay	5.00%	30,590	30,590	30,590				
POST Advanced Certificate Pay	10.00%	800,714	800,714	800,714				
POST Intermediate Certificate Pay	5.00%	116,512	116,512	116,512				
Shooting Pay--Police Officers Pay		0	0	0				
Uniform Pay--Patrol	2.50%	241,724	241,724	241,724				
<b>Estimated Costs:</b>								
Medicare	1.45%	222,097	222,097	222,097				
Retiree Medical (3)	8.87%	1,233,659	1,233,659	1,233,659	20,876,233			
Overtime (4)		1,148,182	1,148,182	1,148,182				
Excess Accrual Payoff / Cash outs (5)		151,860	151,860	151,860				
<b>Total</b>		<b>\$ 28,538,153</b>	<b>\$ 29,672,009</b>	<b>\$ 31,943,664</b>				
Annual \$ Increase			\$ 1,133,856	\$ 2,271,655				
Annual % Increase			4%	8%				
Cummulative Cost to City			\$ 1,133,856	\$ 4,539,367				
Total Number of Employees		127	127	127				


**Notes:**

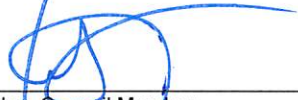
- (1) - Cost of Contract per item based on FY 2018-19 Preliminary Budget worksheets.
- (2) - Amounts from PRELIMINARY June 30, 2017 PERS Valuation for the City's Safety Police Plan prorated to this group.
- (3) - 8.87% rate is calculated based on the Annual Required Contribution (ARC) amount calculated 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) - Overtime amount is not explicit in the contract, however is estimated based on the proportional share of budgeted amounts.
- (5) - 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.
- (5) - Analysis for City Proposal #1 included an impact on FY 20/21 because the initial contract terms were three years. As a result of ongoing negotiations the current negotiated contract term is two years. there is no fiscal impact on FY 17/18 therefore this column has been removed.

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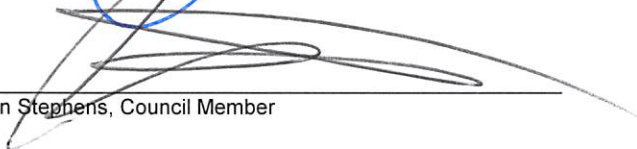
**Council Member Acknowledgement:**

  
\_\_\_\_\_  
Sandra Genis, Mayor

  
\_\_\_\_\_  
Allan Mansoor, Mayor Pro-Tem

  
\_\_\_\_\_  
Katrina Foley, Council Member

  
\_\_\_\_\_  
James Rigeimer, Council Member

  
\_\_\_\_\_  
John Stephens, Council Member

## Civic Openness in Negotiations (COIN) Analysis Certification

### ***City of Costa Mesa Ordinance No. 12-7, Article 2 states:***

Section 2.237(a) In order to implement the requirements of section 2-236, the city shall have prepared on its behalf, by an independent auditor in cooperation with the Finance Director, a study of supplemental data upon which the study is based, determining the fiscal impacts attributed to each term and condition of employment made available to the members of all recognized employee organizations.

Section 2.237(b) The above report and findings of the independent auditor shall be completed and made available for review by the city council and the public at least thirty (30) days before consideration by the city council of an initial meet and confer proposal to be presented to any recognized employee organization regarding negotiation of an amended, extended, successor, or original memorandum of understanding.

Section 2.237(c) The above report shall be regularly updated by the independent auditor to itemize the costs and the funded and unfunded actuarial liability which would or may result from adoption or acceptance of each meet and confer proposal. These measurements shall display the fiscal impacts of the employee association and/or city proposals.

### ***Certification:***

In accordance with this section, Lance, Soll & Lunghard, LLP has reviewed the **Costa Mesa Police Association's Proposal #2 dated 9-4-18** and the related study of supplemental data prepared by the City and believe that they accurately reflect the fiscal impacts of the proposal.



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