

## LEE, KASAMA

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**From:** FARRELL HARRISON, LORI ANN  
**Sent:** Friday, June 19, 2020 1:30 AM  
**To:** EVERETT, ED  
**Cc:** LEE, KASAMA; PRICE, SUSAN  
**Subject:** Revised City Proposal to CMPMA

**Importance:** High

Hi Ed,

As you may be aware, the City is projecting to receive CARES Act and FEMA funding that will allow for the reimbursement of up to \$3 million in COVID related costs. This funding will allow the City to reduce its need to use reserves to balance the current year's budget and instead utilize reserves to a greater degree in next year's budget. As a result, the City is revising its request for a 10 percent employee furlough to a 5 percent furlough for next year. I have attached a revised City proposal for your consideration.

Below are the terms of the City's revised offer. At this time, all of the management associations throughout the City have provided proposals to participate in a 5 percent furlough for next year. This includes the City's department heads, including the Police Chief and myself. Moreover, on Tuesday night, the City Council also agreed to take a 5 percent furlough. The City's leadership is united in leading the charge to balance the remaining \$3 million shortfall in the budget to avoid further reductions to each bargaining unit and the City's workforce. I am hoping the Costa Mesa Police Managers Association will join us in this effort.

**Term:**

One year Side Letter Agreement – July 1, 2020 through June 30, 2021

**Furlough:**

Each member of the bargaining unit represented by the CMPMA would take a total of 104 hours of unpaid furlough during the twenty-six (26) consecutive pay periods beginning the pay period which includes July 1, 2020.

1. The method/manner in which furlough hours are taken are to be determined by mutual agreement of the parties.
2. If the City receives financial relief from the County of Orange, State of California, or the Federal Government for any issues related to the impact of COVID-19 in excess of \$40.5 million for Fiscal Year 2020/2021, employee will receive a one-time bonus equivalent to furlough hours already taken (base rate x furlough hours).
3. The City agrees to create a Health Savings Account for members to make employee paid tax advantaged contributions effective January 1, 2021 and beyond.

I understand that this has been a tough decision for the CMPMA. I am hoping that you will join the City Council, City Manager, Police Chief, Department Heads, Fire Managers and Division Managers, in leading the charge during this tough time.

Warm Regards,

**Lori Ann Farrell Harrison**

City Manager | 714-754-5328



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PLEASE CONSIDER THE ENVIRONMENT BEFORE PRINTING THIS EMAIL. THANK YOU!