CMCEA to City Proposal #2

CMCEA to City Proposal #2								Estimated	
Base Analysis 2025-26 Value of 1%		CMCEA	1%		2.00%			Pro-Rated	
CMCEA	Value of Pay/	Projected Budget	Value of 1%	Existing	July 1, 2025: 2%	Jan 1, 2026: 2%	April 1, 2026: 1%	FY 25/26	Year 2
	Benefits	F 125-26	FY 25-26	Unfunded	FY 25-26	FY 25-26	FY 25-26	Fiscal	Fuil Annual
		Cost to City (1)	Cost to City	Liability	Cost to City	Cost to City	Cost to City	Impact	Total
Base Salary		29,033,304	29,323,637		29,613,970	30,206,249	30,810,374	1,027,837	1,777,070
Incremental cost on Base Salary only				VI. 224		8	<u> </u>		=
Pension / Retirement Benefits				116,573,148			=======================================	-	40.000
PERS1T	Misc. 2.5 @ 5		674,242		680,918		· ·	23,633	40,860
PERS2T	Misc. 2 @ 60		153,892		155,416			5,394	9,326
PERS3T	Misc. 2 @ 62		1,645,657		1,661,951	1,695,190		57,683	99,730
Cafeteria - Health- month per FTE: \$50/Mo 4/1/26	\$19,800	5,860,800	5,860,800		5,860,800	5,860,800	5,860,800	116,123	532,800
Benefits			3 51			u 5v.	v 5s.	ST.	17
BLY- Bilingual Pay- CMCEA-2.5%	2.5%		3,552		3,588			125	215
BLG - Bilingual Pay- CMCEA - 5%	5.0%	6 177,780	179,558		181,336	184,962	188,662	6,294	10,882
Shorthand Pay	2.5%					9	_ = =	127	
Holiday Allowance		67,175	67,847		68,519			2,378	4,112
Class A/B License- per year	\$700	8,400	8,400		8,400			127	339
Shift Differential Pay	10.0%	94,159	95,101		96,042	97,963		3,333	5,763
Shift Differential Pay	7.5%	115,565	116,720		117,876			4,091	7,073
Shift Differential Pay	5.0%	6 19,960	20,159		20,359	20,766	21,181	707	1,222
Shift Assignment Pay		1	1.00		::	=	*	(m)	2 9
Standby Pay	2.5%	6 2,102	2,123		2,144	2,187	2,231	74	129
Additional Standby Pay Hours			120		94	*	*	3.00	
Emergency Medical Dispatch Pay	5.0%	63,350	63,984		64,617	65,910	67,228	2,243	3,878
Uniform Pay- UNP \$7.56 per pp	\$ 197	10,614	10,614		10,614	10,827	11,043	160	429
Deferred Comp - City contribution of 1/2%	0.5%	144,130	145,571		147,012	149,953	152,952	5,102	8,822
Other Benefits						≅	2	848	12
Medicare	1.45%	420,983	425,193		429,403	437,991	446,750	14,904	25,768
Retiree Medical (4)	6.04%	1,753,612	1,753,612		1,753,612	1,753,612	1,753,612		*
Overtime		1,973,579	1,993,315		2,013,050	2,053,311	2,094,378	69,869	120,799
Excess Accrual Payoff / Cash outs (5)		1,0.0,0.0	-		14	=		-	-
Vacation Cap Increase (assumes FTE)						-	5		=
	otal	42,198,329	42,543,978		42,889,627	43,595,131	44,314,746	1,340,077	2,649,217
Total Annual Incremental C		12,100,020	345,649	1,728,245.16	691,298				1,309,140
Annual % Incre			0.8%	11. == 100 10114	1,382,596				2.00
1% Pick			2.070		-,				
1701 1010	- F								
Cumulative Imp	act					STATE OF THE	S'EUR BERNARIE		N. Carlot

Fiscal Impact Analysis for Compliance with City Council Policy 300-8 - Transparency in Labor Negotiations Cost of Costa Mesa CMCEA Contract

Based on Fiscal Year 2025-26 Projected Costs

CMCEA to City Proposal #2

Total Number of Employees

CMCEA Employees	296		
Vacant	25	271	Active Employees as of May 9, 2025
	9%	1,750	
		474,250	
CMCEA Employees FY 2022	261		
Added positions	35		

Notes:

- (1) Cost of Contract per item based on FY 2025-26 Labor projection Proposed Budget and in some cases, prior year actuals'
- (2) Amounts from PERS Valuation for Miscellaneous Plan Employees letter dated July 2023.
- (3) Overtime is not explicit in the contract, however is estimated based on the amount spent in prior years
- (4) Rate per employee is not explicit in the contract, however is calculated based on projected employer contributions calculated by OPEB actuarial, an independent actuary with assumptions listed in the report that includes both explicit and implicit rate subsidy.
- (5) Excess Accrual Payoff / Cash Out is not explicit in the contract, however is estimated based on the amount spent in prior years
- (6) Assumes current active full time equivalent employees

	C	ouncil	Member	Acknowl	edgement:
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John Stephens, Mayer

Mike Buley, Council Member - District 1

Andrea Marr, Council Member / District 3

Jeff Pettis/Coundimember - District 6

Manuel Chavez, Mayor Pro Tem- District 4

Loren Gameros Council Member - District 2

Arlis Reynolds, Council Member - District 5



City of Costa Mesa Policy 300-8 Section 2 of Practices and Procedures states:

Section 2 Economic Analysis

- a. The Finance Director shall prepare an economic analysis on the fiscal impacts of each term and condition of employment made available to the members of all recognized employee organizations. The economic analysis must be verified by an independent auditor.
- b. The economic analysis shall be updated with each proposal and counterproposal presented throughout the negotiation process and posted on the website along with all proposals and counter proposals.
- c. The economic analysis shall be prepared in the format shown on Attachment A and shall include written council member acknowledgement that the analysis has been reviewed by the council member.

Certification:

In accordance with this section, LSL, LLP, an independent auditor, has reviewed the Costa Mesa City Employee Association Proposal #2 dated May 14, 2025 and the related study of supplemental data prepared by the City and believe that they accurately reflect the fiscal impacts.

Bryan Gruber, CPA Partner, LSL, LLP

1300



Fiscal Impact Analysis for Compliance with City Council Policy 300-8 - Transparency in Labor Negotiations Cost of Costa Mesa CMCEA-CON Contract

CONFIDENTIAL

Based on Fiscal Year 2025-26 Projected Costs CMCEA-CONF to City Proposal 2

Base Analysis 2025-26 Value of 1%		CMCEA-CON	1%		2.00%		2.00%	Total Pro-Rated		
CMCEA-CON	Value of	Baseline Analysis	Value of 1%		July 1, 2025: 2%	Jan 1, 2026: 2%	April 1, 2026: 1%	FY 25/26	Year 2	Existing
	Pay/	FY25/26	FY 23-24	\$ Diff	FY 25-26	FY 25-26	FY 25-26	Fiscal Impact	Full Annual	Unfunded
Base Salary	Benefit	Cost to City (1) 4,110,693	Cost to City 4,151,800	######	Cost to City 4,192,907	Cost to City 4,276,765	Cost to City 4,362,300	145,527	Est Impact 251,607	Liability
Incremental cost on Base Salary only		4,110,093	4,151,000	***************************************	4,192,907	4,270,700	4,302,300	145,521	231,007	
incremental cost on base Salary only						075 1481	073 524	3	05. 32	
Pension / Retirement Benefits							13=0	-	130	
UAL						(*)	•	9	-	797,751
PERS1T	Misc. 2.5 @ 55	73,736	74,473	737	75,211	76,715	78,249	2,610	4,513	
PERS2T	Misc. 2 @ 60	39,804	40,202	398	40,601	41,413	42,241	1,409	2,436	
PERS3T	Misc. 2 @ 62	305,315	308,368	3,053	311,421	317,649	324,002	10,809	18,688	
		,			,	ne:	387			
Employee Contribution Reduction				3	2	326	22	-		
				-	-		3.00	-		
Cafeteria - Health- month per FTE: \$50 Jan '2	26 a \$19,800	673,200	673,200		673,200	673,200	673,200	13,600	61,200	
Benefits			×:	54	-	: =	196	-		
BLY- Bilingual Pay- CMCEA-2.5%	2.5%	1,935	1,954	19	1,974	2,013	2,053	69	118	
BLG - Bi <mark>li</mark> ngual Pay- CMCEA - 5%	5.0%	10,150	10,251	101	10,353	10,560	10,771	359	621	
Shorthand Pay	2.5%				₹	555	3.00	5	(#)	
Holiday Allowance		2.	27	2	2	(章)	*	≘		
Class A/B License- per year	700				€	S#0		=	-	
Shift Differential Pay	10%				£	*	20	2	-	
Shift Differential Pay	7.5%				*	:: = :	3.00	=	(*)	
Shift Differential Pay	5.0%				52	35%	9	1		
Shift Ass <mark>i</mark> gnment Pay					2	29 4 7		*		
Standby Pay	2.5%				*	1987	•	=	₹ ₹ :	
Additional Standby Pay Hours					2	// <u>G</u> 2	~	€	823	
Emergency Medical Dispatch Pay	5.0%				*	(3 9)		~	=	
Tuition Reimbursement-per FY per MOU	\$ 1,250	42,500	42,500		42,500	42,500	42,500	=	2	
Uniform Pay- UNP \$7.56 per pp		2 7	SI .	94		-	383	-	· ·	
Deferred Comp - (0.5% City contribution)	0.5%	21,266	21,479	213	21,691	22,125	22,568	753	1,302	
Other Ben <mark>e</mark> fits	¥			000	2	20.000	20.040	0.400	0.000	
Medicare	1.45%	60,252	60,854	603	61,457	62,686	63,940	2,133	3,688	
Retiree Medical (4)	6.04%	248,286	248,286		248,286	248,286	248,286		120	
Overtime (assumes X hrs)		291,864	294,783	2,919	297,702	303,656	309,729	10,333	17,864	
One-Time Employee Appreciation per active F	TE (6)		5-	8	=	2.5		112,000		
Excess Accrual Payoff / Cash outs (5)			5	7			-	2		
Vacation Cap Increase (assumes FTE)				-		190	*			
То	tal	5,879,000	5,928,150	49,150	5,977,301	6,077,567	6,179,839	299,601	362,038	
Total Annual Incremental Co	ost		49,150		5,977,301	E MIL SHIPE			174,437	
Annual % Increa				49,150						
1% Pick				41,228						

Cumulative Impact

Fiscal Impact Analysis for Compliance with City Council Policy 300-8 - Transparency in Labor Negotiations Cost of Costa Mesa CMCEA-CON Contract CONFIDENTIAL Based on Fiscal Year 2025-26 Projected Costs CMCEA-CONF to City Proposal 2 Total Number of Employees CMCEA- Confidential Employees 32 Active Vacant Notes: (1) Cost of Contract per item based on FY 2023-24 Adopted Budget and in some cases, prior year actuals' (2) Amounts from PERS Valuation for Fire Saftey Employees dated July 2022. (3) Overtime is not explicit in the contract, however is estimated based on the amount spent in prior years (4) Rate per employee is not explicit in the contract, however is calculated based on projected employer contributions calculated by Nyhart, an independent actuary with assumptions listed in the report that includes both explicit and implicit rate subsidy. (5) Excess Accrual Payoff / Cash Out is not explicit in the contract, however is estimated based on the amount spent in prior years Council Member Acknowledgement: n Stephens, Mayor Manuel Chavez, Mayor Pro Tem- District 4 Mike Buley, Council Member - District 1 Loren Gameros, Council Member - District 2 Andrea Marr, Council Member - District 3 Arlis Reynolds, Council Member - District 5

Jeff Pettis, Councilmember - District 6



City of Costa Mesa Policy 300-8 Section 2 of Practices and Procedures states:

Section 2 Economic Analysis

- a. The Finance Director shall prepare an economic analysis on the fiscal impacts of each term and condition of employment made available to the members of all recognized employee organizations. The economic analysis must be verified by an independent auditor.
- b. The economic analysis shall be updated with each proposal and counterproposal presented throughout the negotiation process and posted on the website along with all proposals and counter proposals.
- c. The economic analysis shall be prepared in the format shown on Attachment A and shall include written council member acknowledgement that the analysis has been reviewed by the council member.

Certification:

In accordance with this section, LSL, LLP, an independent auditor, has reviewed the City of Costa Mesa's response to Costa Mesa Police Management Association Proposal #2 dated May 20, 2025 and the related study of supplemental data prepared by the City and believe that they accurately reflect the fiscal impacts.

Bryan Gruber, CPA Partner, LSL, LLP



CONFIDENTIAL

101.0%

Based on Fiscal Year 2025-26 Projected Costs CITY to CMPA Proposal #2 Dated: May 15, 2025

Dated: May 15, 2025									
			CMPA	1%			Annualized		
		alue of	Baseline Analysis	Value of 1%		Existing	City to CMPA	Year 2 (6)	Year 3 (6)
		Pay/	FY25/26	FY 25-26	\$	Unfunded	Proposal 2	Longevity	Longevity
	E	Benefit	Cost to City (1)	Cost to City	Diff	Liability	Total	2.5% Incr	2.5% Incr
Base Salary			15,710,580	15,867,686	157,106		16,339,003	16,339,003	16,339,003
Incremental cost on Base Salary only					-		-	-	-
Pension / Retirement Benefits					-		-	-	-
					-	146,750,751	-	-	-
S2PERS	Sworr	n Police FT							
OZI ENO	2.	7 @ 57	2,441,980	2,466,400	24,420		2,539,659	2,539,659	2,539,659
SWPERS		n Police FT							
SWEEKS	3	6 @ 50	993,151	1,003,083	9,932		1,032,877	1,032,877	1,032,877
Cafeteria - Health @ \$2,119/month	\$	25,428	3,356,496	3,356,496	-		3,356,496	3,356,496	3,356,496
Cafeteria - Additional contribution as of July 1, 2025	\$	300					475,200	475,200	475,200
							-		
Benefits				-	-		-	-	-
BLZ-Bilingual Pay- CMPA/CMPA (2.5% of Senior Police Officer	•								
position Top Step)		2.5%	16,649	16,815	166		17,314	17,314	17,314
BLP-Bilingual Pay- (5% of Senior Police Officer position Top									
Step)		5%	239,738	242,136	2,397		249,328	249,328	249,328
Holiday Allowance		Varies	244,562	247,007	2,446		254,344	254,344	254,344
Tuition Reimbursement-per FY per MOU	\$	1,250	6,250	6,250	-		6,250	6,250	6,250
Uniform Pay- UNP \$17 per pp \$ 442 (Article 22 Mou)	\$	442	16,354	16,354	-		16,354	16,354	16,354
Uniform Assignment Pay 2.5%on base salary		2.5%	255,692	258,249	2,557		265,920	265,920	265,920
Canine Assignment Pay 11.31% on base salary		11.3%	28,697	28,984	287		29,845	29,845	29,845
CanineMaint- (\$15 x 1.5 x 7 hrs per pay period)		57.50 per	8,190	8,190					
	pa	y period			-		8,190	8,190	8,190
Motor Assignment Pay 5% of Base		5%	28,152	28,434	282		29,278	29,278	29,278
MotorMaint- Flat 3 hrs @ 1.5 Step 7 of Sr Pol Offr		Flat	26,576	26,576	-		26,576	26,576	26,576
Motor Training Officer Assignment Pay		5%	6,343	6,407	63		6,597	6,597	6,597
POST- PMG 5 % of Base		5%	-	-	- -		-		-
POST- PAD 10% of Base		10%	1,013,463	1,023,598	10,135		1,054,002	1,054,002	1,054,002
Deferred Comp - City contribution		0.0%	50,555	51,060	506		52,577	52,577	52,577
Recruitment and Retention Pay		F 000/					-	100.070	100 110
10 years or more - currently at 2.5%		5.00%	00.054	-	-		85,101	106,272	130,418
15 years or more - currently at 5%		7.50%	68,254	68,936	683		102,913	93,912	89,202
20 Years or more - currently at 7.5%		10.00%	98,645	99,631	986		132,763	133,651	133,416
25 Years or more - currently at 10%		12.50%	128,706	129,993	1,287		170,749	178,862	183,807
Other Benefits Medicare		1.45%	227,803	230,081	2,278		236,916	236,916	236,916
					2,210				
Retiree Medical ⁽⁴⁾		6.04%	948,919	948,919	-		948,919	948,919	948,919
Overtime	I		3,183,635	3,215,471	31,836		3,310,980	3,310,980	3,310,980
Total Assurant Incompanies Co.			29,099,390	29,346,756	247,366		30,748,151	30,769,322	30,793,468
Total Annual Incremental Co				247,366			1,648,762	21,171	24,146
Cumulative Impa				047.000			1,648,762	1,669,933	1,694,079
Annual % Increa				247,366 178,395					
1% Pick t	νþ			178,393					

Cost of Costa Mesa CMPA Contract

Based on Fiscal Year 2025-26 Projected Costs CITY to CMPA Proposal #2

Dated: May 15, 2025

Total N	lumber of	f Employees
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CMPA- Employees

132

Notes:

- (1) Cost of Contract per item based on FY 2023-24 Adopted Budget and in some cases, prior year actuals'
- (2) Amounts from PERS Valuation for Fire Saftey Employees dated July 2022.
- (3) Overtime is not explicit in the contract, however is estimated based on the amount spent in prior years
- (4) Rate per employee is not explicit in the contract, however is calculated based on projected employer contributions calculated by Nyhart, an independent actuary with assumptions listed in the report that includes both explicit and implicit rate subsidy.
- (5) Excess Accrual Payoff / Cash Out is not explicit in the contract, however is estimated based on the amount spent in prior years
- (6) Outyears shows incremental estimated increase of longevity as CMPA members qualify for this benefit

Council Member Acknowledgement:	
John Stephens, Mayor	Manuel Chavez, Mayor Pro Tem- District 4
Mike Buley, Council Member - District 1	Loren Gameros, Council Member - District 2
Andrea Marr, Council Member - District 3	Arlis Reynolds, Council Member - District 5
Jeff Pettis, Council Member - District 6	

404.00/

CONFIDENTIAL



City of Costa Mesa Policy 300-8 Section 2 of Practices and Procedures states:

Section 2 Economic Analysis

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Certification:

In accordance with this section, LSL, LLP, an independent auditor, has reviewed the City of Costa Mesa's response to Costa Mesa Police Association Proposal #2 dated May 20, 2025 and the related study of supplemental data prepared by the City and believe that they accurately reflect the fiscal impacts.

Bryan Gruber, CPA Partner, LSL, LLP

1300



Fiscal Impact Analysis for Compliance with City Council Policy 300-8 - Transparency in Labor Negotiations Cost of Costa Mesa CMPMA Contract
Based on Fiscal Year 2025-26 Projected Costs
CITY TO CMPMA Proposal #2

Dana Arabaia 2005 00 Value of 40/		OMDMA.	101.0%		FY 25/26		
Base Analysis 2025-26 Value of 1% CMPMA	Value of Pay/ Benefit	CMPMA Baseline Analysis FY25/26 Cost to City (1)	1% Value of 1% FY25/26 Cost to City	\$ Diff	CITY TO CMPMA Proposal 2 Annual	Year 2 (6) Longevity 2.5% Incr	Year 3 (6) Longevity 2.5% Incr
Base Salary		1,779,708	1,797,505	\$ 17,797	1,850,896	1,850,896	1,850,896
Incremental cost on Base Salary only					-	-	-
Pension / Retirement Benefits UAL					- - -	- - -	- -
SWPERS	Sworn Police FT 3 @ 50	79,890	80,689	799	113,198	113,198	113,198
SWPMA1	Sworn Police FT 3 @ 50	303,281	306,314	3,033	315,412	315,412	315,412
		,	,-	-	-	-	-
Employee Contribution Reduction				-	-	-	-
				-	-	-	-
Cafeteria - Health per month	25,428	228,852	228,852	-	228,852	228,852	228,852
Cafeteria - additional contribution July 1, 2025	300				32,400	32,400	32,400
Benefits	0.5%	4.005	4.054	40	- 0.040	-	-
BLZ-Bilingual Pay- CMPA/CMPA -2.5%	2.5% 5%	1,935	1,954	19	2,012	2,012	2,012
BLP-Bilingual Pay- CMPA/CMPMA - 5%		10,150	10,251	101 736	10,556	10,556 -	10,556 -
Holiday Allowance Uniform Pay- UNP \$17 per pp \$ 442	Varies 442	73,577 3,978	74,313 3,978	730	3,978	3,978	3,978
Uniform Assignment Pay 2.5% base salary	2.5%	3,976 19,017	3,976 19,207	-	19,778	3,976 19,778	3,976 19,778
POST- PMG 5 % of Base	2.5% 5%	22,194	19,207 22,416		47,318	47,318	47,318
POST- PMG 5 % of Base	10%	133,583	134,919		284,799	284,799	284,799
Executive Professional Development	1,000	9,000	134,919		9,000	9.000	9,000
Technology Allowance	900	8,100	-	-	8,100	9,000 8,100	8,100
Recruitment and Retention Pay	Varies	158,507	160,092	1,585	211,120	216,398	221,808
Residinficing and Retention Flay	vanes	100,007	100,032	1,000	211,120	-	-
Other Benefits					-	_	_
Medicare	1.45%	31,186	31,498		34,461	34,461	34,461
Retiree Medical ⁽⁴⁾	6.04%	107,494	108,569	1,075	111,794	111,794	111,794
	0.0 1.70	,	-	-	-	-	-
Excess Accrual Payoff / Cash outs (5)			-	-	-	-	-
Deferred Comp - City contribution	0	-	-	-	-	-	-
Vacation Cap Increase (assumes FTE)				-	-	-	-
To	otal	2,970,452	2,980,558	25,145	3,283,673	3,288,951	3,294,361
Total Annual Incremental C			10,105		313,221	5,278	5,410
Cumulative Imp					0.0,221	318,499	323,909
Annual % Increa 1% Pick	ase		0.3%	25,145 20,239	11%	0.2%	0.2%
Annual % increase from base	- r			_3,_00			

Fiscal Impact Analysis for Compliance with City Council Policy 300-8 - Transparency in Labor Negotiations
Cost of Costa Mesa CMPMA Contract
Based on Fiscal Year 2025-26 Projected Costs
CITY TO CMPMA Proposal #2

Jeff Pettis, Councilmember - District 6

Total Number of Employees	CMPMA- Employees	9
(2) Amounts from PERS Valu (3) Overtime is not explicit in t (4) Rate per employee is not of that includes both explicit and (5) Excess Accrual Payoff / Ca		rears yer contributions calculated by Nyhart, an independent actuary with assumptions listed in the report
Council Member Acknowledge	ement:	
John Stephens, Mayor		Manuel Chavez, Mayor Pro Tem- District 4
Mike Buley, Council Member -	District 1	Loren Gameros, Council Member - District 2
Andrea Marr,Council Member	- District 3	Arlis Reynolds, Council Member - District 5



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- c. The economic analysis shall be prepared in the format shown on Attachment A and shall include written council member acknowledgement that the analysis has been reviewed by the council member.

Certification:

In accordance with this section, LSL, LLP, an independent auditor, has reviewed the City of Costa Mesa's response to Costa Mesa Police Management Association Proposal #2 dated May 20, 2025 and the related study of supplemental data prepared by the City and believe that they accurately reflect the fiscal impacts.

Bryan Gruber, CPA Partner, LSL, LLP

