MEMORANDUM OF UNDERSTANDING

Costa Mesa

Between The Representatives Of The

Costa Mesa Fire Management Association

And The City of Costa Mesa

2024

2027

REVISED 9/16/25

CMFMA
MEMORANDUM OF UNDERSTANDING

TABLE OF CONTENTS

			PAGE
ARTICLE	1	RECOGNITION/PREAMBLE	3
ARTICLE	2	TERM OF AGREEMENT	4
ARTICLE	3	BASIC SALARIES AND WAGES	4
ARTICLE	4	PROMOTIONS	4
ARTICLE	5	HEALTH INSURANCE	5
ARTICLE	6	RETIREMENT	5
ARTICLE	7	RETIREE MEDICAL PROGRAMS	8
ARTICLE	8	HOLIDAY PAY BANK	9
ARTICLE	9	BILINGUAL PAY	10
ARTICLE	10	OVERTIME	11
ARTICLE	11	UNIFORM MAINTENANCE ALLOWANCE	11
ARTICLE	12	STAFFING LEVELS	12
ARTICLE	13	BENEFIT REVIEW COMMITTEE	12
ARTICLE	14	LABOR/MANAGEMENT MEETINGS	12
ARTICLE	15	HOURS POOL RECONCILIATION	12
ARTICLE	16	TUITION REIMBURSEMENT	12
ARTICLE	17	TECHNOLOGY ALLOWANCE	13
ARTICLE	18	RECRUITMENT AND RETENTION INCENTIVE PAY	13
ARTICLE	19	ADMINISTRATION ASSIGNMENT PAY	14
ARTICLE	20	PROFESSIONAL DEVELOPMENT REIMBURSEMENT	14
ARTICLE	21	SICK LEAVE PROGRAM	14
ARTICLE	22	LONG TERM DISABILITY	15
ARTICLE	23	EDUCATION PAY	15
ARTICLE	24	CERTIFICATION PROGRAM	16
ARTICLE	25	LAYOFF PROCEDURES	18
ARTICLE	26	LEAVES OF ABSENCE	18
ARTICLE	27	401(A) DEFERRED COMPENSATION PLAN	20
ARTICLE	28	DISABILITY DISCRIMINATION	20
ARTICLE	29	DISCIPLINARY PROCEDURES - FBOR	20
ARTICLE	30	RETURN TO WORK POLICY	20
ARTICLE	31	MEET AND CONFER IN GOOD FAITH	20

ARTICLE 1 - RECOGNITION/PREAMBLE

1.1 By resolution of the City Council of the City of Costa Mesa and pursuant to the provisions of the Meyers-Milias-Brown Act, Section 3500 et. seq. of the California Government Code, the City of Costa Mesa (hereinafter called the "City") has recognized the Costa Mesa Fire Management Association (hereinafter called the "Association" or "CMFMA") as the exclusive representative and agent for collective bargaining of the sworn members of the City of Costa Mesa Fire Department (hereinafter "Department" or "Fire Department") in the unit of representation consisting of the job classification of Battalion Chief excluding all non-sworn Fire Department employees (hereinafter referred to as "represented employees" or "unit members"). The Association and the City are the Parties to this agreement and are jointly recognized herein as "The Parties."

1.2 This Memorandum of Understanding (MOU) has been prepared by representatives of the City and representatives of the Association who have met and conferred in good faith, examining a number of proposals and counter proposals concerning wages, hours of employment, fringe benefits and other terms and conditions of employment for represented employees.

1.3 It is the mutual understanding of the City and Association that this MOU shall be submitted to the Costa Mesa City Council with the joint recommendation of the parties that the terms of this MOU be adopted, and that said City Council will take such other action as may be needed to implement its provisions.

1.4 The wages, hours and other terms and conditions of employment currently in effect for the job classification covered herein shall remain in effect unless modified, amended or deleted by this MOU or subsequent MOUs, or unless a tribunal of competent jurisdiction holds that any part of this MOU is found to be insufficient, in conflict or inconsistent with other laws or contractual obligations of the Parties, or otherwise held to be invalid, unlawful or unenforceable, in which case such part or provision, and only such part or provision, shall be severed from this MOU or shall be suspended or superseded by such applicable laws and regulations. If such legal severance invalidates a benefit defined herein, said benefit shall be replaced by an item or alternative benefit of comparable value to the extent allowed by law. The Parties shall meet and confer in good faith to determine the replacement, or if any replacement is possible.

1.5 The Parties hereby agree that all of the material terms and conditions of previous agreements between CMFMA and the City and applicable Resolutions are hereby superseded by the adoption of this MOU.

1.6 For the term of this MOU, neither party shall be compelled to meet and confer with the other concerning any issue within the scope of representation of the Association. Each Party to this MOU hereby expressly waives its right to demand that the other Party meet and confer concerning any issue within the scope of representation of the Association. However, nothing in this MOU shall prohibit these Parties from exploring the possibility of amending this agreement over any issue within the scope of representation of the Association, if, and only if, both Parties hereto mutually agree to do so.

1.7 Continuous uninterrupted and efficient service to the community of Costa Mesa by the City and its employees, and orderly employer-employee relations are essential considerations of this MOU. Accordingly, the Association agrees on behalf of itself and its members, individually and collectively, that there shall not be any strikes, "sick-outs", non-informational picketing, boycotting, work stoppages, slow-down strikes or any other concerted job actions constituting refusal to render services, including overtime or any other curtailment or restriction of work and services at any time during the term of this MOU.

1.8 The Association recognizes its duty and obligation to comply with the provisions of Section 1.7 of this MOU and to make every reasonable effort to assure that all employees covered by this MOU similarly do so. In the event of any concerted activity by employees in violation of the provisions of Section 1.7, the Association hereby agrees to direct its members to cease said action or conduct forthwith.

1.9 Except as modified by this agreement, all rights to manage, organize, direct and control the City's Fire Department are retained exclusively by the City and its management personnel.

1.10 During the term of this MOU, the parties agree either side can propose MOU language to clean up provisions which are either outdated or in need of modification. Any language changes must be mutually agreeable.

ARTICLE 2 - TERM OF AGREEMENT

2.1 **TERM** - The term of this three-year MOU will commence on July 1, 2024, and will expire on June 30, 2027.

ARTICLE 3 - BASIC SALARIES AND WAGES

3.1 **COMPENSATION** - Employees covered by this Agreement shall be compensated at the established monthly base salary rates under the Basic Pay Schedule for sworn fire personnel.

3.2 **SALARY ADJUSTMENTS** – The salary adjustments will be implemented for the classification of Battalion Chief. The City will adjust the monthly base salary for CMFMA members based on the following:

First Year of the Agreement - Effective the pay period that includes July 1, 2024, monthly base salary of represented employees shall be increased by 5%.

Second Year of the Agreement - Effective the pay period that includes July 1, 2025, monthly base salary of represented employees shall be increased by 3.75%.

Third Year of the Agreement - Effective the pay period that includes July 1, 2026, monthly base salary of represented employees shall be increased by 3.75%.

3.3 **MANDATORY DIRECT DEPOSIT** – All association employees shall be required to enroll in payroll direct deposit. Paychecks will be electronically paid to an employee's bank account. Upon separation, employees will receive their final paycheck electronically.

ARTICLE 4 - PROMOTIONS

4.1 **RATE OF PAY** - Current administrative regulations provide that when an employee is promoted that the promotee shall be placed at a step within the appropriate salary range for the new classification that pays at least five percent (5%) higher than the rate of pay earned prior to the promotion, provided that the promotee's new rate of compensation does not exceed the top step of the new position's appropriate salary range. In making this determination, "the rate of pay earned prior to the promotion" shall include all "compensation earnable" as defined by the Public Employees Retirement Law [Gov. Code § 200000 et seq.]

ARTICLE 5 - HEALTH INSURANCE

5.1 **IRS SECTION 125 BENEFIT PLAN** - The City shall provide the amount listed below toward the payment of premiums under an IRS Section 125 Benefit Plan. Core benefits include life and long term disability insurance. Medical insurance is a required core benefit which a City employee is required to carry if a City employee is not covered by another medical insurance plan with comparable coverage at the end of the open enrollment period.

5.2 **PEMHCA** - Employees shall have the option of choosing medical coverage under the Public Employees' Medical Health Care Act (PEMHCA).

5.3 **CONTRIBUTION AMOUNT** - The City shall contribute an amount toward the executive flexible benefit plan bucket (which includes the PERS statutory minimum) for the payment of premiums for affected employees and dependents based upon the following criteria:

- Full family coverage for the PERS Platinum medical plan under the California Public Employees' Retirement System (CALPERS) health insurance programs
- Full family coverage for the Dental Indemnity plan
- Full premium payment for Life Insurance
- Long Term Disability premium will be based upon the top step salary of the highest-salaried Division Manager within the classified service

Any amounts necessary to maintain benefit premiums in excess of the City contribution specified above shall be borne entirely by the executive employee.

5.4 **QUALIFICATION FOR FLEX CONTRIBUTION** - Employees must receive compensation for the entire pay period to receive the flexible benefit contribution amount. Use of accrued leave qualifies as compensation for this purpose. Employees will be ineligible for the flexible benefit contribution if the employee records absence without pay hours within the pay period. Catastrophic illness leave donations to employees will not meet the qualifications for the flex contribution. Disciplinary actions will not disqualify an employee from receiving the flex contribution. This provision shall not apply to a pay period during which an employee has exhausted all paid leave benefits. Its application shall take effect the following pay period.

ARTICLE 6 - RETIREMENT

6.1 **CALPERS** - The City contracts with CalPERS for retirement benefits. The definitions of "new member" and "classic member" are set forth below:

A. "Classic Member" Employees

1. Retirement Formula: The City contracts with CalPERS to provide the 3% at 50 retirement formula (Tier 1) for all employees hired before December 31, 2012, as set forth in California Government Code Section 21362.2. For employees hired on or after December 31, 2012, who are classic members as defined, the City contracts with CalPERS to provide the 2% at 50 retirement formula (Tier 2) as set forth in California Government Code Section 21362.

2. Retirement Benefit Calculation Period: The City's contract with CalPERS provides for the "Single Highest Year" retirement benefit for which "classic member" employees hired prior to December 31, 2012, in the unit are included per Government Code

section 20042. The retirement benefit is based on the highest annual compensation for the one year during the employee's membership in CalPERS. For employees hired on or after December 31, 2012, who are classic members as defined, final compensation will be based on the highest annual average compensation earnable during the three consecutive years of employment immediately preceding the effective date of their retirement or any other three consecutive year period chosen by the employee as set forth in Government Code section 20037.

3. Payment of Employee/Member Contribution:

   a. Tier 1 Employees Subject to the 3%@50 formula:

      i. Employees will pay the full nine percent (9%) CalPERS member contribution as compensation earnable towards their CalPERS member contribution. The City pays and reports zero percent (0%) as an Employer Paid Member Contribution (EPMC) under Government Code section 20636(c)(4) pursuant to section 20691.

   b. Tier 2 Employees Subject to the 2%@50 formula:

      i. Employees pay the full nine percent (9%) CalPERS member contribution. The City pays and reports zero percent (0%) as an Employer Paid Member Contribution (EPMC) under Government Code section 20636(c)(4) pursuant to section 20691.

The City has adopted the CalPERS resolution in accordance with IRS Code section 414(h)(2) to ensure that the employee contribution is made on a pre-tax basis.

4. Cost Sharing:

   a. Employees in tier 1 subject to the 3%@50 formula pay additional retirement contributions into their employee account with PERS as cost sharing as follows:

      i. Effective at the beginning of the pay period which includes July 1, 2024, employees pay five percent (5%) compensation earnable as cost sharing in accordance with Government Code section 20516(a) and an additional three percent (3%) of compensation earnable pursuant to the cost sharing provisions set forth in Government Code section 20156(f). When this five percent (5%) and three percent (3%) is added to the employees' payment of nine percent (9%) towards their member contribution, employees shall pay seventeen percent (17%) compensation earnable towards their pension.

   b. Employees in tier 2 subject to the 2%@50 formula pay additional retirement contributions into their employee account with PERS as cost sharing as follows:

      i. Effective at the beginning of the pay period which includes July 1, 2024, these employees will pay an additional eight percent (8%) compensation earnable as cost sharing in accordance with Government Code section 20516(f). When this eight percent (8%) is added to the employee's payment of nine percent (9%) towards their member contribution, employees shall pay seventeen percent (17%) compensation earnable towards their pension.

B. "New Members" (Tier 3) as Defined by the Public Employees' Pension Reform Act of 2013 (PEPRA)

1. Retirement Formula: Unit members who are defined as "new members" under the PEPRA, are covered by the 2.7%@ 57 formula provided for by the Public Employees' Retirement Law at Government Code section 7522.25(d).

2. Retirement Benefit Calculation Period: For unit members defined as "new members" under the PEPRA such employees' final compensation will be based on the highest annual average compensation earnable during the three consecutive years of employment immediately preceding the effective date of their retirement or any other three consecutive year period chosen by the employee as set forth in Government Code section 7522.32(a).

3. Payment of Employee/Member Contribution: New member employees are responsible for paying the employee contribution of one-half of the total normal cost of the plan, as defined by CalPERS, through a payroll deduction. This amount will be determined by CalPERS in the future. The City has adopted the CalPERS resolution in accordance with IRS Code section 414(h)(2) to ensure that the employee contribution is made on a pre-tax basis.

4. Cost Sharing:

   a. Employees who are defined as "New Members" by the PEPRA and who subject to the 2.7%@57 formula pay additional retirement contributions as cost sharing as follows:

      i. Effective at the beginning of the pay period which includes July 1, 2024, these employees will pay one quarter percent (0.25%) compensation earnable as cost sharing in accordance with Government Code section 20516(f).

   b. Notwithstanding subparagraph 4(a) above, subsequent to July 1, 2024, the cost share payment for PEPRA employees will fluctuate if the normal cost rate changes. If the half the normal cost rate reduces below thirteen and three quarters percent (13.75%), the cost share (per Government Code section 20516(f) will go up so that when combined with the half the normal cost rate, the employee is paying a total of fourteen percent (14%) for retirement. If the half the normal cost rate increases above thirteen and three quarters percent (13.75%), the cost share (per Government Code section 20516(f) will go down so that when combined with the half the normal cost rate, the employee is paying a total of fourteen percent (14%) for retirement. If the half the normal cost rate goes above fourteen percent (14%), there will be no cost share payment due from the PEPRA new member (Tier 3) employees. Rather, the employee will just pay the applicable half the normal cost rate as determined by CalPERS.

      If one-half the normal cost rate exceeds fourteen percent (14%) (and it is rounded by CalPERS to the nearest one-quarter of a percent), the City will contribute the amount above fourteen percent (14%) to the deferred compensation account (per IRS Code section 457(b)) of each new member.

6.2 **CALPERS CONTRACT** - The City will continue to provide pension benefits to represented employees in accordance with the CalPERS contract in effect on the effective date of this MOU. The City's contract with CalPERS for fire safety employees includes the following options:

- Section 21363.2 (3% @ 50 formula for Tier 1 classic employees only)
- Section 21362 (2% @ 50 formula for Tier 2 classic employees only)
- Section 7522.25(d) (2.7% @ 57 formula for new members)
- Section 20042 (One Year Final Compensation for Tier 1 classic employees only)
- Section 20037 (Three Year Final Compensation for Tier 2 classic employees and new members only)
- Section 20516(a) (Employees Cost Share, Tier 1 and Tier 2 classic employees only)
- Section 20965 (Credit for Unused Sick Leave)
- Sections 21624/ 21626 (Post-Retirement Survivor Allowance)
- Section 21620 (Retired Death Benefit of $500)
- Section 21329 (COLA of 2%)
- Section 20903 (Two Years Additional Service – Golden Handshake)
- Section 21635 (Post-Retirement Survivor Allowance Continues After Remarriage)
- Section 21573 (Third Level of 1959 Survivor Benefits)
- Section 21551 (Death Benefit Continues After Remarriage)
- Section 20055 (Credit for Service Before CalPERS Contract)
- Section 20938 (Limited Prior Service Credit to Employees on Contract Date)
- Section 21536 (Local System Service Credit for Basic Death Benefit)
- Section 20481 (Transfer of Local System Assets to CalPERS)
- Section 21427 (Disability Retirement - Maximum 50% of Final Compensation)
- Section 21024 (Military Stats 76)
- Section 21022 (Public Service Layoff)
- Section 21548 (Pre-Retirement Option 2W)
- Section 21027 (Military Retiree)
- Section 21023.5 (Peace Corps/AmeriCorps Service)
- IRC 414(h)(2) (Pre-tax payroll deduction plan for service credit purchase)

ARTICLE 7 - RETIREE MEDICAL PROGRAMS

7.1 **RETIRED EMPLOYEES' MEDICAL PROGRAM** - The City shall continue to provide life and medical insurance for retired employees of the City as defined in Council Policy 300-1. Employees hired after January 1, 2004, who have funds on deposit in the Retirement Health Savings plan (contributions to which have been suspended) will maintain those funds.

ARTICLE 8 - HOLIDAY PAY BANK

8.1 The following Holiday Pay provisions are effective May 1, 2023.

8.2 **DESIGNATED HOLIDAYS** - The following are the City designated holidays for employees covered by this agreement:

New Year's Day January 1st	Juneteenth June 19th	Thanksgiving Day 4th Thursday in November
Martin Luther King, Jr. 3rd Monday in January	Independence Day July 4th	Day after Thanksgiving 4th Friday in November
President's Day 3rd Monday in February	Labor Day 1st Monday in September	Christmas Day December 25th
Memorial Day Last Monday in May	Veteran's Day November 11th	

8.3 In the event any of the above holidays fall on Saturday, the preceding Friday will be observed. In the event any of the above holidays fall on Sunday, the following Monday will be observed. All employees covered by this agreement work in positions that require scheduled staffing without regard to holidays.

8.4 **56-HOUR EMPLOYEE** (13.2364 hours per holiday) - At the end of any pay period during the payroll calendar year, employees may elect to receive a cash payment for earned holiday pay benefits of 13.2364 hours for each holiday for a total of 145.6 hours. At the end of the payroll calendar year, any remaining holiday hours will be cashed out on the last payroll of the payroll calendar year. Holiday pay cannot be converted into leave or compensatory time off.

8.5 **40-HOUR EMPLOYEE** (9.455 hours per holiday) - At the end of any pay period during the payroll calendar year, employees may elect to receive a cash payment for earned holiday pay benefits of 9.455 hours for each holiday for a total of 104 hours. At the end of the payroll calendar year, any remaining holiday hours will be cashed out on the last payroll of the payroll calendar year. Holiday pay cannot be converted into leave or compensatory time off.

8.6 Holiday pay will be paid at the employee's base rate of pay.

8.7 If an employee separates from the service of the City and has used or been paid for holiday pay in advance of the date(s) or day(s) the holidays actually occurred, the City will deduct the cash value for holiday benefits already paid, but unearned at the time of separation from the employee's final paycheck.

8.8 Employees are only eligible for holiday pay for the designated holidays that occur during the term of their employment (e.g., an employee hired on January 10, will not be eligible for holiday pay for New Years Day for the calendar year of their hire, but would be eligible for Martin Luther King Day and any further designated holidays which fall during their employment).

8.9 **ADDITIONAL HOLIDAY** - If the City provides an additional holiday to any other employee group during the term of this contract, the City will also provide the cash value of that additional holiday to employees covered by this agreement.

8.10 The parties agree, to the extent permitted by law, the compensation in this section is special compensation and shall be reported as such pursuant to Title 2 California Code of Regulations, Section 571 and 571.1.

ARTICLE 9 - BILINGUAL PAY

9.1 **BILINGUAL CERTIFICATION** - Employees who meet the Department/City established standards and are routinely and consistently assigned to communicate in Spanish, Vietnamese, American Sign Language (ASL) and any other language approved by the City Manager shall receive two and one-half percent (2.5%) or five percent (5%) of the top step base salary for the Fire Engineer classification depending on level of proficiency. The parties agree, to the extent permitted by law, the compensation in this section is special compensation and shall be reported as such pursuant to Title 2 California Code of Regulations, Section 571 and 571.1.

9.2 **QUALIFICATION FOR 2.5% CERTIFICATION** - The following standard of spoken Spanish, Vietnamese, or American Sign Language is followed for the 2.5% Certification:

A. The applicant has the ability to create with language, recombining and adapting learned material to express personal meaning and can handle simple situations and transactions in the course of their work such as paramedic calls, explanation of procedures, obtaining personal information, symptoms and health history, instructions to victims and onlookers, among others.

B. The applicant is able to maintain simple face-to-face conversations, asking and answering questions regarding everyday survival on topics most related to self and immediate work environment; courtesy requirements, and personal needs during the course of routine calls not likely to be of a life-or-death nature.

C. The applicant can be understood with some repetition by a sympathetic native speaker.

D. The applicant demonstrates mastery of work-related vocabulary including: time, days of the week, months, family members, parts of the body, motions and states, greetings, home and community, food and beverages, alphabet and numbers, vehicles, simple commands, interrogatory words, etc.

E. Accuracy is required in the present tense and gender distinctions.

F. Core vocabulary of 300-600 words.

9.3 **QUALIFICATIONS FOR 5% CERTIFICATION** - In addition to Article 9.3 above, the 5% Certification requires:

A. Accuracy in present and past tenses.

B. Core vocabulary of 600-1200 words.

C. Exhibits good pronunciation, stress, and intonation skills as judged by the ability to be understood with little repetition or confusion by native speaker.

D. Ability to interview the victim of an accident, fire, or other situation involving a native speaker of Spanish and the conduct simple interrogations and investigations which could be of a life-or-death nature.

E. Ability to understand description, narration, main ideas and details on a variety of topics beyond the immediate situation.

ARTICLE 10 - OVERTIME

10.1 OVERTIME COMPENSATION

A. Employees will be compensated at a rate of one and a half times the employees' base rate of pay plus employees' Recruitment and Retention Incentive Pay per Article 18, Education Pay per Article 23 and employees' Fire Certification Pay per Article 24 for all time worked in excess of their regular work schedule, except as provided below in 10.2.

B. 14-day work cycle is defined as the pay period and all hours that are included in it.

10.2 OVERTIME PAY vs SICK and VACATION USAGE

Battalion Chiefs - During any 14-day pay period, if a Battalion Chief uses Sick or Vacation time and additionally works any overtime hours during that pay period, they will be compensated at the straight time regular rate of pay until those additional hours worked exceed the Sick or Vacation time used. Additional hours worked that exceed any Sick or Vacation Time used will be compensated at one and one half times the employee's rate of pay as described in 10.1A.

Exemplar – During a 14-day pay period if a BC takes 24 hours of Vacation Time and during the same 14-day pay period the BC works an additional 36 hours of overtime, then the BC would be entitled to 24 hours of additional pay at the straight time regular rate of pay and 12 hours of premium overtime compensation at one and one half times the employees' rate of pay as described in 10.1A.

10.3 **CALL-BACK or CALL-OUT FOR DUTY-** Anytime a represented employee is required to report for duty for staffing level requirements, needs of the department, State and Federal Call Out, emergencies, disasters, fire investigation responsibilities, department-related emergency needs, or required attendance, that employee shall receive a minimum of two (2) hours of additional pay at the appropriate hourly rate based on hours worked in the pay cycle. This does not apply to early reporting or "hold-overs."

10.4 **STATE AND FEDERAL CALL OUT** - All State and Federal Call Out will be Compensated "Portal to Portal."

A. All Battalion Chiefs will be paid at the rate of one and one-half (1-1/2) times the employee's rate of pay as described in 10.3A for additional hours required to worked more than the normal work week or shift schedule. All pay will be "Portal to Portal".

10.5 Battalion Chiefs - All Mandatory or "Force" coverage will be at one and a half times the employees' rate of pay as described in 10.1A.

ARTICLE 11 - UNIFORM MAINTENANCE ALLOWANCE

11.1 The City provides uniforms for employees represented by the Association. The City will continue to replace, repair and maintain uniforms worn in the line of duty. The average cost of the uniforms/uniform

allowances are reported as $17 per pay period. The parties agree, to the extent permitted by law, this compensation is special compensation for "Classic Employees" and shall be reported as such pursuant to Title 2 California Code of Regulations, Section 571

ARTICLE 12 - STAFFING LEVELS

12.1 **POSITIONS** - *Will* consist of (1) Battalion Chief per day (56-hour employee) for a total of 3 control positions.

ARTICLE 13 - BENEFIT REVIEW COMMITTEE

13.1 **BENEFIT REVIEW COMMITTEE** - CMFMA shall maintain one representative on the City's Benefit Review Committee. The Committee continually evaluates the City's benefit programs and makes recommendations on plan changes, benefit levels, payroll deductions and the addition or deletion of plans. Participation on the Benefit Review Committee meets the City's obligation to negotiate with CMFMA on changes to the City's group benefit plans.

ARTICLE 14 - LABOR/MANAGEMENT MEETINGS

14.1 **TWICE PER YEAR** - The City and CMFMA agree as needed to discuss issues of mutual interest.

ARTICLE 15 - HOURS POOL RECONCILIATION

15.1 **ZEROING OF HOURS** The CMFMA agrees to the current status of the hours pool figures upon verification and acknowledges its obligation and responsibility in maintaining accurate reporting and documentation. The zeroing of the hours pool shall occur annually from the members' vacation bank hours. This zeroing shall occur at the end of the pay period, in which all three (3) shifts normally reach zero in alignment with department shift movement due to shift bid process, followed by annual zeroing out one year from shift bid movement (on date agreed to by the association and Fire Administration. For "Exchanges of Time"; there will be an upper and lower threshold range of 96 hours up and 96 hours down for "open ended trades." Should an employee be "outside" of this range, their ability to trade will be suspended until their trade status is back within range. Three times per year (one month prior to the zero out dates) there will be a report generated to ensure that no employee is outside of this range. This report will be given to the Assistant Fire Chief or their designee to ensure compliance. Open ended is defined as no payback day is scheduled.

ARTICLE 16 - TUITION REIMBURSEMENT

16.1 **PASSING GRADE** - Tuition, certification fees, and textbook costs involved in educational courses which may be taken by an employee, and which pertain to their City employment, shall be reimbursed to said employee by the City. The employee participating must achieve a passing grade of a "C" or better, Credit/No Credit or a Certificate of Completion and should see that the Human Resources Manager receives a copy, where appropriate, of the employee's grade(s) before any reimbursement.

16.2 **REIMBURSEMENT AMOUNT** - The City will reimburse up to a maximum of $1,250 per fiscal year for qualifying expenses.

16.3 **ELIGIBLE CLASSES** - Eligible classes that pertain to an individual's City employment will include those that are job-related or those needed to complete a degree program. All courses or seminars related to any of the approved categories in the Certification Program are eligible for reimbursement.

16.4 **REQUIRED APPROVAL** - All claims for tuition reimbursement require the approval of the Fire Chief before receiving the funds.

ARTICLE 17 - TECHNOLOGY ALLOWANCE

17.1 Employees covered by this MOU shall be provided with a $75 monthly technology allowance. The City Manager has the sole discretion to grant, modify or deny an allowance for covered employees.

ARTICLE 18 - RECRUITMENT AND RETENTION INCENTIVE PAY

18.1 Recruitment and Retention Incentive Pay is compensation to incentivize Fire Department sworn employees to remain with the City of Costa Mesa. Recruitment and Retention Incentive Pay shall be paid on a biweekly basis.

Employees in this bargaining unit who have been employed in a full-time equivalent sworn firefighting position (as defined in Government Code Section 3251 or the out-of-state equivalent as determined by the Fire Chief) in a municipal, state or federal fire department or other agency (as determined by the Fire Chief) for twenty-five (25) years or more shall receive recruitment and retention incentive pay of ten percent (10%) of employee's base salary.

Effective the payroll that includes July 1, 2024, employees in this bargaining unit who have been employed in a full-time equivalent sworn firefighting position (as defined in Government Code Section 3251 or the out-of-state equivalent as determined by the Fire Chief) in a municipal, state or federal fire department or other agency (as determined by the Fire Chief) for twenty (20) years or more shall receive recruitment and retention incentive pay of seven and a half percent (7.5%) of employee's base salary.

Effective the payroll that includes July 1, 2025, employees in this bargaining unit who have been employed in a full-time equivalent sworn firefighting position (as defined in Government Code Section 3251 or the out-of-state equivalent as determined by the Fire Chief) in a municipal, state or federal fire department or other agency (as determined by the Fire Chief) for fifteen (15) years or more shall receive recruitment and retention incentive pay of five percent (5%) of employee's base salary.

Effective the payroll that includes January 1, 2026, employees in this bargaining unit who have been employed in a full-time equivalent sworn firefighting position (as defined in Government Code Section 3251 or the out-of-state equivalent as determined by the Fire Chief) in a municipal, state or federal fire department or other agency (as determined by the Fire Chief) for ten (10) years or more shall receive recruitment and retention incentive pay of two and a half percent (2.5%) of employee's base salary.

Service in any classification other than a sworn firefighting classification will not count towards this purpose.

The parties agree, to the extent permitted by law, the compensation in this section is special compensation and shall be reported as such pursuant to Title 2 California Code of Regulations, Section 571 and 571.1.

ARTICLE 19 - ADMINISTRATION ASSIGNMENT PAY

19.1 **PAY FOR ASSIGNMENT - Administrative Assignment pay** – An employee in the job classification of Battalion Chief shall be entitled to compensation in the amount of five percent (5%) of the base rate for their classification w when routinely and consistently assigned by the Fire Chief to a 40-hour administrative assignment workweek. The parties agree, to the extent permitted by law, the compensation in this section is special compensation and shall be reported as such pursuant to Title 2 California Code of Regulations, Section 571 and 571.1.

ARTICLE 20 - PROFESSIONAL DEVELOPMENT REIMBURSEMENT

20.1 The City agrees to reimburse represented employees up to $1,000 per fiscal year for activities, materials; equipment or fees that will aid in their individual professional development. The Intent of this program is to encourage and recognize executive staff for pursuing educational, professional or community-oriented activities, enhancing Job skills and expertise, and/or purchasing materials/equipment, which improve the executive's performance. These activities, materials, equipment or fees are intended to be beyond what is-budgeted for individuals through the annual budget cycle. The reimbursement options available include the following:

- Professional memberships, licenses and certificates that are job-related.
- Professional conferences that are job-related including fees and other expenses while attending
- Membership dues in community organizations · relevant to the CMFMA member's job assignment
- Purchase of job-related professional journals, periodicals, books or other written materials which further knowledge or improvement of effectiveness in performance of duties
- Education fees that exceed the City's annual $1,250 tuition reimbursement limit
- Direct purchase of qualifying ·computer equipment defined in Administrative Regulation 2.29

ARTICLE 21 - SICK LEAVE PROGRAM

21.1 **SICK LEAVE** - Sick leave shall be used in case of a bona fide illness of the employee upon approval. Sick leave may also be used for illness of their, parent, spouse, registered domestic partner, grandchild, grandparent, sibling or designated person who is incapacitated and/or requires the service of a physician, and when the presence of the employee is required. The maximum number of hours that may be used for serious illness or emergency of their child, parent, spouse, registered domestic partner, grandchild, grandparent, sibling, or designated person is half of the employee's annual accrual pursuant to Labor Code Section 233. At the conclusion of the emergency, said employee shall return to work as soon as possible. The employee taking such sick leave shall notify their immediate supervisor prior to or within one-half (1/2) hour after the time set for the beginning of their daily duties, or as otherwise specified by the department. When absence for illness is for more than two (2) consecutive work shifts, the employee may be required to present a physician's certificate verifying the illness or a personal letter of explanation for verification purposes to the Fire Chief indicating fitness to return to duty.

21.2 **ACCUMULATION OF SICK LEAVE** - Employees may accumulate up to a maximum of 672 hours of sick leave credit in a Primary Sick Leave Bank for each employee covered hereunder. CMFMA Members will receive 4.80 hours (6.72 hours for 56-hour members) of sick leave per pay period that will be deposited in each employee's Primary Sick Leave Bank as addressed in Section 21.3 below. Upon reaching this maximum number of accumulated sick leave hours, the employee's biweekly benefit will be distributed in the following manner:

A. At the employee's option, 2.4 hours (3.36 hours for 56-hour members) will be:

1. Paid to the employee at the employee's then current hourly base rate of pay.

2. Converted into vacation hours.

B. The remaining 2.4 hours (3.36 hours for 56-hour members) will be placed in a Secondary Sick Leave Bank for the employee.

21.3 **PRIMARY SICK LEAVE BANK** - Hours in this bank may be used in accordance with the rules regarding sick leave use in general as defined in the City's Personnel Rules and Regulations.

21.4 **SECONDARY SICK LEAVE BANK** - If an employee has a Secondary Sick Leave Bank, hours in that bank will be used first in accordance with the rules regarding sick leave use. Hours in this bank may **also** be used in the event of a verified non-industrial disability which has resulted in an absence of 60 consecutive calendar days. In this event, sick leave in the Secondary Sick Leave Bank may be used for additional consecutive absences resulting from the disability; or it may be used to supplement LTD should that event occur. Additionally, an amount of sick leave equal to the hours used from an employee's Primary Bank for said disability may be transferred from the employee's secondary Bank to the Primary, provided that such transfer does not result in an excess of 672 hours in the employee's Primary Bank. The secondary sick leave bank has no maximum accrual.

21.5 **SEPARATION FROM CITY** - Upon either separation from the City of Costa Mesa, with a minimum of 20 years of continuous honorable service; or eligibility for retirement benefits, (as defined in the benefit Plan applied for) the employee shall have the option of:

A. Being paid at their current hourly base rate for one-half of the sick leave in their Primary Sick Leave Bank. There shall be no cash payment for sick leave in the Secondary Sick Leave Bank, or

B. Alternatively, the employee can choose to apply all credited time in both his or her Primary and Secondary Sick Leave Banks toward service credit. In addition, if this alternative is selected, then the payoff indicated in 19.4a above becomes a survivor benefit, to be paid to their designated beneficiary.

ARTICLE 22 - LONG TERM DISABILITY

22.1 **ELIGIBILITY** - An employee is eligible for Long Term Disability (LTD) after thirty (30) calendar days. Once eligible for LTD pursuant to the terms and conditions of the LTD Plan, an employee may exercise the option of using accumulated vacation and sick leave in their Primary and Secondary Sick Leave Bank to supplement LTD payments up to an amount not to exceed 100% of monthly salary.

22.2 **MEDICAL RETIREMENT** - A permanent separation from service for disability shall be termed a "medical retirement" whether or not such separated employee receives benefits from either the Retirement Plan or LTD Plan.

ARTICLE 23 - EDUCATION PAY

23.1 **EDUCATION PAY** - Employees shall be entitled to compensation in the amount of two and a half percent (2.5%) of top step base salary for the Battalion Chief classification for:

1. Possession of a Master's Degree, or

2. Possession of the Executive Fire Officer Certification (National Fire Academy), or

3. Possession of all of the following: 1) Bachelor's Degree, 2) Fire/Arson Investigator or Advanced Fire Investigator as approved by the Fire Chief (CSFM/SFT) and 3) Safety Officer (All Hazard L-954 or SFT S-404) (CICCS/NWCG). No new employees or newly promoted employees will be eligible for this option effective January 1, 2025.

It is the intent of the parties that any degrees submitted are accredited by Western Association of Schools and Colleges, Council for Higher Education Accreditation, or pre-approved by the Fire Chief or their formal designee.

Effective the pay period that includes July 1, 2024, compensation for completion of a Master's Degree or Executive Fire Officer Certification (National Fire Academy) will no longer be part of the certification program or subject to the certification program maximum compensation per Article 24.

The parties agree, to the extent permitted by law, the compensation in this section is special compensation and shall be reported as such pursuant to Title 2 California Code of Regulations, Section 571 and 571.1.

ARTICLE 24 - CERTIFICATION PROGRAM

24.1 **ELIGIBILITY** - Employees employed in the classifications of Battalion Chief will be eligible to participate in the Certification Program, based upon the following achievements and criteria.

24.2 **CRITERIA**

A. The pays employees are eligible to obtain under this program shall be cumulative provided the total maximum monthly award payable to any employee under this program shall not exceed seven and a half percent (7.5%) of the top step base salary for the Battalion Chief classification.

B. The parties recognize that this program needs to be reviewed and updated on a periodic basis to ensure its vitality and relevance including reviewing any revisions to the California State Fire Training (SFT) or other agency course matriculation plans.

C. Potential certification equivalencies (i.e., FEMA, NWCG, etc.) will be considered and approved by the Fire Chief on a case-by-case basis.

D. Employees must submit official documentation/transcripts/completed task books to Fire Administration confirming that they are in possession of the required certifications and degrees prior to receiving an award.

E. Fire Administration will be responsible for notifying the Human Resources Division of the award qualification, upon verification that an employee has met the required criteria. The effective date of the certification pay will be the 1st day of the payroll in which Fire Administration received the official documentation. Should there be a delay in the receipt of a certification due to SFT, the effective date of the certification pay may be applied retroactively by the Fire Chief on a case-by-case basis.

The parties agree, to the extent permitted by law, the compensation in this section is special compensation and shall be reported as such pursuant to Title 2 California Code of Regulations, Section 571 and 571.1.

24.3 **MONTHLY AWARDS** - The monthly awards are listed in the following chart.

CERTIFICATION	MONTHLY AWARD
Executive Chief Fire Officer (CSFM/SFT)	2.50%
Chief Fire Officer (CSFM/SFT/CPSE)	2.50%
Chief Fire Officer (CSFM/SFT)	2.50%
Chief Fire Marshal (CSFM/SFT)	2.50%
Chief Fire Marshal (CPSE)	1.00%
Chief EMS Officer (CPSE)	1.00%
Chief Training Officer (CPSE)	1.00%
Chief Public Information Officer (CPSE)	1.00%
Accreditation Peer Assessor (CPSE)	1.00%
Structural Collapse Specialist I (eff 7/1/2024)* Rescue Specialist (Rescue Systems I & II prior to 7/1/2024)	1.00%
Confined Space Operational Technician * (Confined Space Rescue Technician & Trench Rescue Technician eff 7/1/2024) (Confined Space Operational & Trench Rescue prior to 7/1/2024)	1.00%
Specialized Rescue Technician* (Common Passenger Vehicle Extrication, River & Flood Rescue Technician, Haz Mat First Responder, ICS-200, eff 7/1/2024) (Vehicle Extrication, Swift Water Operational, Haz Mat First Responder, ICS-200 prior to 7/1/2024	1.00%
Urban Search & Rescue (Employees hired/promoted to Battalion Chief prior to 7/1/2024)*	1.25%
Terrorism Liaison Officer Intermediate or Advanced Equivalent (OCIAC)	1.00%
Division Supervisor (NWCG/CICCS)	1.00%
Fire Control III (CSFM/SFT)	1.00%
Strike Team Leader (NWCG/CICCS)	1.00%
All Hazard Public Information Officer L-952 (FEMA) or Advanced Public Information Officer (CSTI) or Crisis Communication & the Media (CSTI)	1.00%
Fire/Arson Investigator or Advanced Fire Investigator (CSFM/SFT) (Employees hired/promoted to Battalion Chief after 1/1/2025) **	1.00%
Safety Officer (All Hazard L-954 or SFT S-404) (CICCS/NWCG) (Employees hired/promoted to Battalion Chief after 1/1/2025) **	1.00%

*Rescue Certifications - Employees who are eligible for two or more of the following certifications: Structural Collapse Specialist I, Confined Space Operational Technician and/or Specialized Rescue Technician will no longer be eligible for Urban Search and Rescue certification.

**Employees receiving pay for Fire/Arson Investigation and Safety Officer certifications under Article 23 are not eligible to receive additional pay for these certifications under the above certification program.

ARTICLE 25 - LAYOFF PROCEDURES

25.1 **THIRTY (30) CALENDAR DAYS** - In the event of a material change in the duties, mission or organization of the Costa Mesa Fire Department, or if a shortage of work or funds to operate the Fire Department develops, employees in the classified service may be laid off. Thirty (30) calendar days before the effective date of such a layoff, the Fire Chief shall notify the Human Resources Director of the intended layoff, identifying any employee to be laid off and articulate the reasons, therefore. Said employee shall be considered for re-employment as provided by the Personnel Rules and Regulations.

ARTICLE 26 - LEAVES OF ABSENCE

26.1 **LEAVES OF ABSENCE ENTITLEMENT**- For the purpose of computing entitlement to leaves of absence, an employee's continuous service shall be based on the effective date of initial probationary employment in the City service. Such date shall be the employee's anniversary date for vacation and sick leave purposes subject to the provisions contained herein.

26.2 **VACATIONS** - The purpose of annual vacation leave is to enable each eligible employee annually to return to their work mentally refreshed. Any leave of absence without pay shall not accrue vacation leave for each full pay period of such absence.

A. Represented employees shall accrue an annual vacation with pay in accordance with following provisions.

B. Vacation Banks will be capped at 320 hours (448 for 56-hour shift employee)

56 Hour Work Week Vacation Accrual Rates and Max Bank Hours		
Years of Service	**Hours/Year**	**Max Bank Hours**
1 - 2.99	128.8	257.6
3 - 4.99	162.4	324.8
5 - 9.99	196.0	392
10 - 14.99	229.6	448.0
15 - 19.99	263.2	448.0
20+	296.8	448.0
40 Hour Work Week Vacation Accrual Rates and Max Hours		
Years of Service	**Hours/Year**	**Max Bank Hours**
1 - 2.99	92.0	184.0
3 - 4.99	116.0	232.0
5 - 9.99	140.0	280.0
10 – 14.99	164.0	320
15 – 19.99	188.0	320
20+	212.0	320

26.3 **VACATION LEAVE** - Vacation will be used in accordance with current accepted Fire Department procedures.

26.4 **VACATION CASH OUT**

A. Vacation Leave Cash-Outs (40 hour employees) - Each fiscal year, employees will have the following cash-out options: 1) One eighty (80) hour cash-out any time during the fiscal year, regardless of the employees maximum accrual and regardless of the employees Vacation Leave usage; and, 2) Up to four cash-outs per fiscal year, any time during the fiscal year (irrespective of quarter), based on a "2 for 1" usage ratio, up to a maximum of 80-hours for each cash out. For example, if an employee uses 10 hours of Vacation Leave, the employee could cash out up to 20 hours of Vacation Leave; in order for an employee to cash-out the maximum of 80-hours Vacation Leave, the employee would need to use 40 hours of Vacation Leave.

B. Vacation Leave Cash-Outs (56 hour employees) - Each fiscal year, employees will have the following cash-out options: 1)A single one hundred twelve (112) hour cash-out any time during the fiscal year, regardless of the employees maximum accrual and regardless of the employees Vacation Leave usage; and, 2) Up to four cash-outs per fiscal year, any time during the fiscal year (irrespective of quarter), based on a "2 for 1" usage ratio, up to a maximum of 112-hours for each cash out. For example, if an employee uses 10 hours of Vacation Leave, the employee could cash out up to 20 hours of Vacation Leave; in order for an employee to cash-out the maximum of 112-hours Vacation Leave, the employee would need to use 56 hours of Vacation Leave.

C. All employees who are at the Maximum Accrual Level or who may reach the Maximum Accrual Level shall utilize the "Cash-Out" and/or "Vacation Leave" options so as to NOT exceed the Vacation Accrual Ceiling. Other than exceptions granted based upon City and/or Departmental needs as approved by the City Manager, there will no other cash-out of Vacation Leave time beyond the Maximum Accrual rates that have been established.

26.5 **TERMINAL VACATION PAY** - Upon termination, a CMFMA member will receive compensation at their current base rate of pay for all unused earned vacation up to and including the date of termination.

26.6 **BEREAVEMENT LEAVE** - Whenever an employee is compelled to be absent from duty by reason of a death or critical illness where death appears imminent of grandparent, father, mother, brother, sister, (this includes step brothers and sisters) wife, husband, or child of employee, spouse, or domestic partner such employee shall, upon approval of their department director, be entitled to charge such absence as "bereavement leave" to a maximum of three (3) consecutive work shifts per occurrence. This leave may also be used in the case of a miscarriage by a female employee and/or employee whose spouse or registered domestic partner suffers a miscarriage. This would also apply in the case of a miscarriage by a surrogate. Any additional time that may be required must be approved by the Fire Chief (and will be approved if required by law) and will be charged first to sick leave, then the employee can choose between vacation, compensatory time off or floating holiday leave. If all such leaves are exhausted it will be charged to unpaid leave if the employee does not have accrued sick leave, vacation compensatory time off or floating holiday leave. The City Manager or designee, upon written request, may grant bereavement leave to an employee for persons in other relationships to the employee than are listed above.

26.7 **LEAVE OF ABSENCE WITHOUT PAY** - All paid leave must be exhausted prior to being granted leave without pay unless the employee is concurrently on a Family Care and Medical Leave or has reached the threshold for LTD eligibility. All paid leave must be exhausted prior to an employee being able to use catastrophic illness leave donations. Employees will not receive additional leave accruals while using catastrophic illness leave donations.

ARTICLE 27 - 401(A) DEFERRED COMPENSATION PLAN

27.1 **DEFERRED COMPENSATION PLAN** -The 401(a) deferred compensation plan provides represented employees with another tax-deferred savings plan for future financial planning. The City will continue to provide a half of a percent (0.5%) per pay period employer contribution for all represented employees who participate in the plan. However, the City will not provide an employer contribution to the current 457 deferred compensation plan and the executive must make all 457 contributions.

ARTICLE 28 - DISABILITY DISCRIMINATION

28.1 The City shall comply with all provisions of the Americans with Disabilities Act ("ADA") and the California Fair Employment and Housing Act ("FEHA").

ARTICLE 29 - DISCIPLINARY PROCEDURES - FBOR

29.1 The parties agree to adhere to all provisions of the Firefighters Procedural Bill of Rights (FBOR) as set forth in section 3250, et. seq. of the California Government Code.

ARTICLE 30 - RETURN TO WORK POLICY

30.1 **PHYSICIAN RELEASE** - The City has implemented through an Administrative Regulation a "Return to Work Policy" for employees who are released by their physician(s) to return to work for full duty in the manner set forth in Administrative Regulation 2.5 – Temporary Limited/Modified Duty.

ARTICLE 31 - MEET AND CONFER IN GOOD FAITH

31.1 **NEW CONTRACT NEGOTIATIONS** - The parties agree to meet and confer in good faith after January 2027 on wages, hours and other terms and conditions of employment to be effective on or about the first pay period in July 2027.

REPRESENTATIVES OF THE COSTA MESA FIRE MANAGEMENT ASSOCIATION

STEVEN AIREY
Battalion Chief

TIMOTHY J. VASIN
Battalion Chief

REPRESENTATIVES OF THE CITY OF COSTA MESA

CECILIA GALLARDO DALY
Interim City Manager

ALMA L. REYES
Acting Assistant City Manager

CAROL MOLINA
Finance Director

KASAMA LEE
Human Resources Manager

FANNI ACOSTA
Human Resources Administrator

CATHLEEN SERRANO
Acting Senior Budget Analyst