

ATTACHMENT B

Estimated Cost of Contract with NBFMA

**City of Newport Beach
NBFMA MOU**

	Current	FY 2025/26	FY 2026/27	FY 2027/28
<u>Key Contract Terms</u>				
Adds Fire Marshall and the EMS Division Chief positions to the group				
COLA		4.00%	4.00%	4.00%
Equity Adjustment for Sworn		2.00%	-	-
Longevity Pay			5.0% @ 15 Years 10% @ 20 Years	
Holiday Time Accrual	5.26 Hours/PP	7.38 hrs. for line safety; 5.26 hrs. for sworn staff		
Medical Insurance ¹		7/1/25 Additional \$300/month (No Cash Back)		
NAL Bank for Line Safety			48 Hours	

Summary of Proposal Cost ²

Baseline Compensation

Base Pay	\$1,181,523	\$63,879	\$113,030	\$164,147
Supplemental Pays	82,211	89,243	96,101	103,233
Overtime	223,448	8,938	18,233	27,901
Pension Contribution	161,042	27,312	37,329	47,747
Cafeteria Plan	145,056	3,280	3,280	3,280
Other City Paid Benefits ³	74,467	37,407	40,997	44,729
Total	\$1,867,748	\$230,058	\$308,970	\$391,038

Cumulative Impact on Employee Compensation

Base Salary Increase ⁴	5.41%	9.57%	13.89%
Total Compensation Increase ⁵	12.32%	16.54%	20.94%

Key Contract Terms

COLA	90,138	164,249	241,324
Equity Adjustment for Sworn	16,618	16,618	16,618
Longevity Pay	72,303	75,195	78,203
Holiday Time Accrual	13,651	14,197	14,765
Medical Insurance ¹	3,280	3,280	3,280
NAL Bank	34,068	35,431	36,848
Total	230,058	308,970	391,038

Notes

¹ Assumes maintaining the current level of funding, plus an additional \$300 per month in health insurance benefits.

² Costs shown in years two and three reflect the cumulative budget impact in each year as compared to the current budgeted amounts.

³ Includes Medicare, Compensated Absences, Retiree Health Savings, Life Insurance, and EAP.

⁴ Percentage shown in each year is as compared to current base salary, not the prior year.

⁵ Measured based on the total of all pay and benefits. Percentage is as compared to current total compensation, not the prior year.

⁶ The costs shown reflect additional annual expenses for the corresponding fiscal years.

⁷ The 3% COLA scheduled for the start of the pay period following July 1, 2025, under the prior MOU will carry over into the new MOU. However, this cost is not included in the current costing because it is already reflected in the FY 2025/26 budget as part of the prior MOU.