

Estimated Cost of Contract with NBPMA

**City of Newport Beach
NBPMA MOU**

	Current	FY 2025/26	FY 2026/27	FY 2027/28
<u>Key Contract Terms</u>				
COLA		4.00%	4.00%	4.00%
Equity Adjustment for Sergeants		9.00%	-	-
Equity Adjustment for Lieutenants		11.00%	-	-
Medical Insurance ¹		7/1/25 Additional \$300/month (No Cash Back)		
Reduce PERS Contribution	14.60%	13.6% for Tiers I and II		
Advanced POST		1/2 normal cost or 13.6%, whichever is greater		
Increase Flex Leave Accruals		5.25%		
Special Assignment Pay		Align accruals with the NBPOA 3% for Detectives; 2% for SWAT; 1% for Crisis Negotiator		

<u>Summary of Proposal Cost ²</u>				
Baseline Compensation				
Base Pay	\$6,046,887	\$822,377	\$1,073,927	\$1,335,540
Supplemental Pays	754,241	509,422	555,746	603,923
Overtime	564,758	67,771	93,072	119,385
Pension Contribution	1,138,421	308,333	365,314	424,574
Cafeteria Plan	647,658	68,463	68,463	68,463
Other City Paid Benefits ³	576,617	78,713	94,538	110,997
Total	\$9,728,583	\$1,855,079	\$2,251,061	\$2,662,882

<u>Cumulative Impact on Employee Compensation</u>				
Base Salary Increase ⁴		13.60%	17.76%	22.09%
Total Compensation Increase ⁵		19.07%	23.14%	27.37%

<u>Key Contract Terms</u>				
COLA		619,947	994,290	1,383,606
Equity Adjustment for Sworn		625,682	625,682	625,682
Medical Insurance ¹		68,463	68,463	68,463
Reduce PERS Contribution		74,465	77,443	80,541
Advanced POST		360,636	375,062	390,064
Flex Leave Accruals		58,371	60,706	63,135
Special Assignment Pay		47,515	49,415	51,392
Total		\$1,855,079	\$2,251,061	\$2,662,882

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 budget.

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. Because the contract takes effect on June 28, 2025, the additional expense for FY 2024/25 is considered negligible.