

## **ATTACHMENT B**

### **Estimated Cost of Contract with NBLMA**

**City of Newport Beach  
NBLMA MOU**

	<b>FY 2024/25</b>	<b>FY 2025/26</b>	<b>FY 2026/27</b>	<b>FY 2027/28</b>
<b><u>Key Contract Terms</u></b>				
COLA		4.00%	4.00%	4.00%
Equity Adjustment		2.00%		
Remove Bottom Two Steps for Lifeguard Officer				
Salary Differential	7.50%		10% for Training	
Holiday Time			2.5% for Rescue Vessel Captains	
Medical Insurance <sup>1</sup>			All taken as cash	
Scholastic Achievement	2% for BA/BS		7/1/25 Additional \$300/month (No Cash Back)	
Move-Up Pay	5%		3.5% of Base Salary for BA/BS	
NAL Bank			1% for MA for Lifeguard Captains <sup>6</sup>	
			9.50%	
			48 Hours	

<b><u>Summary of Proposal Cost <sup>2</sup></u></b>				
<b>Baseline Compensation</b>				
Base Pay	\$1,540,232	\$94,636	\$160,031	\$228,042
Supplemental Pays	99,273	60,065	66,706	73,613
Overtime	221,412	13,285	22,673	32,436
Pension Contribution	283,307	22,552	36,158	50,308
Cafeteria Plan	288,660	18,222	18,222	18,222
Other City Paid Benefits <sup>3</sup>	128,392	59,185	62,849	66,660
<b>Total</b>	<b>\$2,561,277</b>	<b>\$267,945</b>	<b>\$366,638</b>	<b>\$469,279</b>

<b><u>Cumulative Impact on Employee Compensation</u></b>				
Base Salary Increase <sup>4</sup>		6.14%	10.39%	14.81%
Total Compensation Increase <sup>5</sup>		10.46%	14.31%	18.32%

<b><u>Key Contract Terms</u></b>				
COLA		107,181	203,011	302,675
Equity Adjustment		30,805	30,805	30,805
Remove Bottom Two Steps for Lifeguard Officer		2,222	2,222	2,222
Salary Differential		16,037	16,679	17,346
Holiday Time		22,782	23,693	24,641
Medical Insurance <sup>1</sup>		18,222	18,222	18,222
Scholastic Achievement		12,638	13,817	15,044
Move-Up Pay		3,261	3,391	3,527
NAL Bank		54,797	54,797	54,797
		<b>\$267,945</b>	<b>\$366,638</b>	<b>\$469,279</b>

**Notes**

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

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

<sup>3</sup> Includes Medicare, Compensated Absences, Retiree Health Savings, Life Insurance, and EAP.

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

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

<sup>6</sup> This is considered a no cost item, as no Lifeguard Captains currently hold a Master's degree.

<sup>7</sup> The costs shown reflect additional annual expenses for the corresponding fiscal years.