



# NEWPORT BEACH

## City Council Staff Report

May 13, 2025  
Agenda Item No. 4

**TO:** HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

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**TITLE:** Resolution No. 2025-20: Adopting a Memorandum of Understanding with the Newport Beach Firefighters Association and Associated Salary Schedule

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### **ABSTRACT:**

The Tentative Agreement (Agreement) regarding a Memorandum of Understanding (MOU) between the City of Newport Beach and the Newport Beach Firefighters Association (NBFA or Association) was submitted at the Regular Meeting on April 29, 2025 to provide the City Council and the community an opportunity to consider the terms and costs of the Agreement.

The proposed MOU is now presented for the City Council's approval (or rejection). This is the final step in the meet and confer process with the NBFA. Included in the recommendation for approval of the MOU is the associated salary schedule. The attached budget amendment appropriates the required funding to implement the costs associated with the agreement for the current fiscal year.

### **RECOMMENDATIONS:**

- a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly;
- b) Adopt Resolution 2025-20, *A Resolution of the City Council of the City of Newport Beach, California, Adopting a Memorandum of Understanding Between the City of Newport Beach and the Newport Beach Firefighters Association and Associated Salary Schedule*; and
- c) Approve Budget Amendment No. 25-063 appropriating \$422,413.15 in increased expenditures in various City division salary and benefits accounts from unappropriated General Fund balance.

**DISCUSSION:**

*The following discussion was provided, in part, with the April 29, 2025, staff report and is included here for reference:*

The Newport Beach Firefighters Association is a recognized employee association and represents approximately 125 employees, including 118 safety members and seven non-safety members.

Topics discussed during negotiations included wage adjustments, equipment allowance, leaves, certification pay, and other non-economic matters. Clarifying language to existing provisions was added where necessary.

Salient provisions of the Tentative Agreement between the City and NBFA include:

- Term - approximately three years, expiring June 30, 2028.
- Wage adjustments -
  - First full pay period after May 1, 2025 – 4%
  - First full pay period following July 1, 2026 – 4%
  - First full pay period following July 1, 2027 – 4%
- Equity Adjustment for Safety Classifications - Effective the first full pay period after May 1, 2025, the base salary for represented safety classifications will increase by 2%.
- Longevity Pay Adjustments for Safety Classifications - Adjustments to existing longevity pay for safety classifications will provide an additional 5% for those with at least 15 years of service, but less than 20 years of service. Safety members with 20 or more years of service will receive an additional 10%.
- Medical Insurance – The City will contribute \$2,224 per month (plus the minimum CalPERS participating employee contribution) to each member’s cafeteria plan.
- Holidays – Because safety line members are expected to work without regard to City-recognized holidays, all holidays will be provided as cash with no option to take holidays as time off.
- Non-Accruing Leave Bank – Safety line employees will receive 48 hours annually of paid leave. The hours do not accrue, have no cash value, and are nontransferable.

The City Council reviewed the Tentative Agreement and proposed MOU with NBFA at its regular meeting of April 29, 2025, after which the costing information and proposed revisions to the MOU were posted for public review on the City's website. A final version of the successor MOU is being presented (Attachment A) in accordance with Government Code §3505.1. The total cost of the NBFA MOU is approximately \$12.5 million. If the Council approves adoption of the MOU, City staff will work to implement the terms as soon as practicable.

**FISCAL IMPACT:**

Detailed cost information is provided in Attachment B. Since the MOU covers the period from May 3, 2025, through June 30, 2028, it will result in the following annual fiscal impacts to implement the terms of the agreement, totaling \$12,464,969:

<b>Fiscal Year</b>	<b>Amount</b>
<b>2024/25</b>	<b>\$ 422,413</b>
<b>2025/26</b>	<b>2,745,685</b>
<b>2026/27</b>	<b>3,995,326</b>
<b>2027/28</b>	<b>5,301,545</b>
	<b>\$12,464,969</b>

A budget amendment is required to appropriate \$422,413.15 from the General Fund unappropriated surplus fund balance to implement the terms for the remainder of Fiscal Year 2024-25. Adequate funding will be included in the annual budget for subsequent years.

**ENVIRONMENTAL REVIEW:**

Staff recommends the City Council find this action is not subject to the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

**NOTICING:**

The agenda item has been noticed according to the Brown Act (72 hours in advance of the meeting at which the City Council considers the item).

**ATTACHMENTS:**

- Attachment A – Resolution No. 2025-20, including Exhibit A, NBFA MOU
- Attachment B – Costing
- Attachment C – Budget Amendment No. 25-063