



CITY OF

NEWPORT BEACH

City Council Staff Report

June 10, 2025
Agenda Item No. 9

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

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TITLE: Resolution No. 2025-30: Adopting a Memorandum of Understanding with the Newport Beach Police Association and Associated Salary Schedule

ABSTRACT:

The Tentative Agreement (Agreement) regarding a Memorandum of Understanding (MOU) between the City of Newport Beach and the Newport Beach Police Association (NBPA or Association) was submitted at the City Council's Regular Meeting of May 27, 2025 to provide the 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 NBPA. 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; and
- b) Adopt Resolution No. 2025-30, *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 Police Association and Associated Salary Schedule*;
- c) Approve Budget Amendment No. 25-069 appropriating \$361,588.92 in increased expenditures in various City division salary and benefits accounts from unappropriated General Fund balance for Fiscal Year 2024-25; and
- d) Approve Budget Amendment No. 26-001 appropriating \$4,106,309.00 in increased expenditures in various City of Newport Beach division salary and benefits accounts from unappropriated General Fund balance for Fiscal Year 2025-26.

DISCUSSION:

The following discussion was provided, in part, with the May 27, 2025, staff report and is included here for reference:

The Newport Beach Police Association (NBPA or Association) is an exclusively recognized bargaining unit and represents safety and non-safety members. City staff members, Association members, and respective legal representatives began negotiating the terms and conditions of a successor agreement in March 2025. Topics discussed during negotiations included wage and equity adjustments, specialty pays, holiday time, the medical cafeteria allowance, retirement contributions, and other non-economic matters. Additionally, language was added to the proposed Agreement to clarify the intent behind existing terms and conditions.

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

- Term: May 31, 2025, through June 30, 2028.
- Wage adjustments
 - ✓ May 31, 2025 – 4%
 - ✓ July 2026 – 4%
 - ✓ July 2027 – 4%
- Equity adjustments
 - ✓ May 31, 2025 – 8% for all sworn
 - ✓ May 31, 2025 – 5% for Police Fiscal Services/Facilities Manager Job Classification
- Salary schedule adjustments for all unit members (sworn and non-sworn).
- Additional City contribution of \$400 per month to the employee medical cafeteria allowance (this includes the temporary additional \$100 per month referenced in the November 29, 2022 and August 15, 2024 side letters between the City of Newport Beach and the Newport Beach Police Association).
- Decreased non-sworn contribution to CalPERS retirement benefit (varies by retirement tier).
- Modifications to the cafeteria allowance structure and new member medical opt-out.
- Adjustments to holiday pay for all members requiring total cash-out of the holiday pay benefit.

- Adjustments and/or additional special assignment pays:
 - ✓ Field Training premium for sworn officers equal to 15% of base salary for hours worked as a Field Training Officer with a trainee.
 - ✓ Detective Pay premium for sworn officers equal to 3% of base salary.
 - ✓ SWAT Pay premium for sworn officers equal to 2% of base salary.
 - ✓ Crisis Negotiation Team premium for sworn officers equal to 1% of base salary.
- Adjustments to longevity pay for non-sworn members.
- Police Mechanic Tool Stipend of \$500 per year.

The City Council reviewed the Tentative Agreement and proposed MOU with the NBPA at its May 27, 2025, meeting, 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. It should be noted that additional, non-substantive changes were made to the MOU after the May 27, 2025, meeting. New language in the MOU is identified in italics. The total cost of the contract is approximately \$19.3 million. If the Council approves 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 31, 2025, through June 30, 2028, it will result in the following annual fiscal impacts to implement the terms of the agreement, totaling \$19,291,939:

Fiscal Year	Amount
2024/25	\$ 361,589
2025/26	\$4,692,100
2026/27	\$6,263,565
2027/28	\$7,974,685
	\$19,291,939

A budget amendment is required to appropriate \$361,588.92 from the General Fund unappropriated surplus fund balance to implement the terms for the remainder of Fiscal Year 2024-25. Additionally, a budget amendment is required to appropriate \$4,106,309 from the General Fund unappropriated surplus fund balance to implement the terms for Fiscal Year 2025-26.

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. 2025-30, including Exhibit A, NBPA MOU
Attachment B – Costing
Attachment C – Budget Amendment No. 25-069
Attachment D – Budget Amendment No. 26-001