

ATTACHMENT B

City of Newport Beach
Fire Association - Costing Analysis
November 15, 2021

	Current ¹	Year 1	Year 2	Year 3	Year 4	Total Contract
<u>Key Contract Terms</u>						
Cost of Living Adjustment		2.00%	2.00%	2.00%	2.00%	
Other Proposals						
City Paid Disability Premiums ²			1% Deduction Eliminated			
<u>Summary of Proposal Cost ³</u>						
Baseline Compensation						
Base Pay	\$13,560,426	\$271,209	\$547,841	\$830,007	\$1,117,815	\$2,766,872
Supplemental Pays	1,391,464	27,289	55,124	83,516	112,476	278,405
Overtime	5,859,468	117,189	236,723	358,646	483,009	1,195,567
Pension Contribution	10,011,860	197,517	398,985	604,482	814,090	2,015,075
Cafeteria Plan	2,582,784	-	-	-	-	-
Other City Paid Benefits ⁴	1,354,223	16,158	32,639	49,450	66,597	164,843
SubTotal	\$34,760,224	\$629,363	\$1,271,312	\$1,926,101	\$2,593,986	\$6,420,762
Other Proposals						
City Paid Disability Premiums	-	44,704	89,855	93,020	94,880	322,458
Signing Bonus (\$2,000)	-	236,000				236,000
SubTotal	-	280,704	89,855	93,020	94,880	558,458
Total	\$ 34,760,224	\$ 910,066	\$ 1,361,167	\$ 2,019,121	\$ 2,688,866	\$ 6,979,220
<u>Cumulative Impact on Employee Compensation</u>						
Base Salary Increase ⁵		2.00%	4.04%	6.12%	8.24%	
Pre-Tax Take-Home Pay Increase ²		1.65%	5.34%	7.42%	9.54%	
Total Ongoing Compensation Increase ⁶		1.94%	3.92%	5.81%	7.74%	
Total Compensation Increase ⁷		2.62%				

Notes

¹ One percent of current total compensation is equal to \$347,602.

² The impact of the elimination of the 1% post-tax payroll deduction currently imposed on employees on take-home pay is roughly equivalent to a 1.3% increase in salary.

³ Costs shown in years two through four reflect the cumulative budget impact in each year as compared to the current budgeted amounts.

⁴ Includes Medicare, compensated absences, employee assistance program, phone allowances, life insurance, and retiree health savings.

⁵ Percentage shown in each year is as compared to current base salary, not the prior year.

⁶ Measured based on the total of all pay and benefits. Percentage shown in each year is as compared to current total compensation, not the prior year.

⁷ Total compensation increase in Year 1 includes a one-time sign on bonus. This is removed from future years as it is not ongoing.