

**SIDE LETTER OF AGREEMENT  
BETWEEN  
CITY OF NEWPORT BEACH  
AND  
THE NEWPORT BEACH FIRE MANAGEMENT ASSOCIATION**

This Side Letter of Agreement (“Agreement”) is made and entered into this 27th day of August 2024, by and between the City of Newport Beach ("City") and the Newport Beach Fire Management Association (“NBFMA”) (collectively "Parties") with respect to the following:

**WHEREAS**, on June 14, 2022, the City Council adopted Resolution No. 2022-39 approving a Memorandum of Understanding ("MOU") between the Parties with a term of July 1, 2022, through June 30, 2026;

**WHEREAS**, given present inflationary pressures and to aid in the recruitment and retention of valuable employees, the Parties wish to modify the MOU; and

**WHEREAS**, this Agreement will not have the effect of an agreement, and will not be binding on either party, until it is ratified by the affected bargaining unit and approved by the City Council.

**NOW, THEREFORE**, it is mutually agreed between the Parties as follows:

1. Section 2, Compensation, of the MOU is amended to add the following subsection, which shall read as follows:

“I. Lump Sum Bonus (FY (2024–2025))

Lump sum bonuses in the amount of One Thousand Dollars and No Cents (\$1,000.00) will be paid to all Bargaining Unit Employees that are employed by the City on each of the following dates, as set forth below:

- Bargaining Unit Employees employed by the City on August 27, 2024, will receive a lump sum bonus of One Thousand Dollars and No Cents (\$1,000) on September 13, 2024;
- Bargaining Unit Employees employed by the City on October 1, 2024, will receive a lump sum bonus of One Thousand Dollars and No Cents (\$1,000) on October 11, 2024;
- Bargaining Unit Employees employed by the City on January 1, 2025, will receive a lump sum bonus of One Thousand Dollars and No Cents (\$1,000) on January 17, 2025; and

- Bargaining Unit Employees employed by the City on April 1, 2025, will receive a lump sum bonus of One Thousand Dollars and No Cents (\$1,000) on April 11, 2025.

The parties intend and understand that the lump sum bonuses are non-pensionable and will not be reported to CalPERS. The parties also agree that the bonus payments are intended to be specific to the pay period in which they are paid, and each lump sum bonus is considered part of the regular rate for the pay period in which it is paid only.”

2. The following language in Section 4, Fringe Benefits, Subsection A, Insurance, Subsection 2, City Contribution, of the MOU, which was previously amended pursuant to the Side Letter Agreement dated November 29, 2022, is hereby amended and shall read as follows:

“2. Medical Insurance

Language in the MOU: The City’s monthly contribution towards the Cafeteria Plan is \$1,824.00 (plus the minimum CalPERS participating employer’s contribution.)

Amended Language: The City’s monthly contribution towards the Cafeteria Plan is \$1,824.00 (plus the minimum CalPERS participating employer’s contribution.) Temporary Increase. Effective the pay period that includes January 1, 2023, the City’s monthly contribution towards the Cafeteria Plan increases to \$1,924.00 (plus the minimum CalPERS participating employer’s contribution). Effective the pay period that includes July 1, 2025, the City’s monthly contribution towards the Cafeteria Plan decreases to \$1,824.00 (plus the minimum CalPERS participating employer’s contribution as outlined in Government Code section 22892).”

3. Except as expressly modified herein, all other provisions, terms, and covenants set forth in the MOU shall remain unchanged and shall be in full force and effect.

**Signatures on the next page**

Executed this 15<sup>th</sup> day of August, 2024

FOR THE NEWPORT BEACH FIRE MANAGEMENT ASSOCIATION:

By: Brian M McDonough  
Brian McDonough, President

FOR THE CITY OF NEWPORT BEACH:

By: Will O'Neill  
Will O'Neill, Mayor

CITY OF NEWPORT BEACH  
APPROVED AS TO FORM:

By: Aaron C Harp  
Aaron Harp, City Attorney

ATTEST:

By: Leilani A. Brown  
Leilani Brown, City Clerk

