



# BENEFITS SUMMARY

## FIRE MANAGEMENT ASSOCIATION (FMA)

Term: July 1, 2022 through June 30, 2026

*This summary is for informational purposes only and is not binding. For a complete explanation of all benefits and compensation, benefit eligibility, and restrictions, refer to the current Memorandum of Understanding (MOU) and the Employee Policy Manual.*

### COMPENSATION

#### **Salary Adjustments:**

July 2022 – 2.0%  
July 2023 – 3.0%  
July 2024 – 3.0%  
July 2025 – 3.0%

**Salary Differential:** The Battalion Chief assigned as the Staff Battalion Chief shall receive an additional 7.5% of base pay. Assignment is typically 2 years.

**FLSA Overtime:** Unit members are exempt from the overtime provisions of the Fair Labor Standards Act.

**Contract Overtime:** Contract overtime is paid at time and one half (1.5) and calculated using base rate of pay. Contract overtime is limited to certain situations. See MOU for more details.

**Compensatory Time Off:** Members may receive Compensatory Time Off (CTO) in lieu of cash. Maximum accumulation of CTO is 120 hours for staff employees and 196 hours for line employees.

**Uniform Allowance:** Reported to PERS as \$1,519 annually, paid biweekly.

**Scholastic Achievement Pay:** Eligible unit members receive 5.5% - BA/BS Degree and 7.0% - MA/MS/JD.

**Certificate Pay:** Eligible unit members receive 3% - Certified Chief Fire Officer and \$100 per month - Certified Strike Team Leader.

**Bilingual Pay:** \$150 per month for Spanish; additional languages may be certified by the Fire Chief. Testing is required.

### LEAVES

**Flex Leave 1:** Unit members shall accrue Flex Leave based on years of continued service at the following rates (per pay period):

Years of Continuous Service	LINE EMPLOYEES		STAFF EMPLOYEES	
	Accrual Hours/Pay Period	Maximum Accrual	Accrual Hours/Pay Period	Maximum Accrual
Less than 5	9.77	508.04	6.97	362.44
5 but less than 9	10.69	555.88	7.63	396.76
9 but less than 12	11.62	604.24	8.33	433.16
12 and over	12.54	652.08	8.95	465.40

<sup>1</sup> The City complies with the IRS Title 26 CFR § 1.451-2 Constructive Receipt of Income with regard to Flex Leave pay out.

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*Newport Beach Fire Management Association*  
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**Holidays:** FMA members are normally required to work without regard to approved holidays. Staff employees receive 3.7 hours and Line employees receive 5.54 hours of Holiday Time compensation, biweekly.

**Bereavement Leave:** 40 hours (Staff employees) and 90 hours (Line employees) of paid leave for the necessary absence due to the death or terminal illness of an immediate family member. See MOU for list of qualifying family members.

<b>BENEFITS</b>
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**Cafeteria Plan:** Members participating in the City's medical plans receive a monthly cafeteria allowance of \$1,824 (plus the CalPERS medical premium contribution) to cover the costs of health premiums. If the cafeteria allowance exceeds the premium amounts, employees will receive the difference in taxable cash. Employees hired on or after June 22, 2019 are ineligible to receive the difference in taxable cash.

**Opt-out:** Eligible employees receive \$1,000 per month as taxable cash back. Employees hired on or after June 22, 2019 receive \$500 per month as taxable cash back.

**Life Insurance:** City paid policy up to \$50,000 in coverage based on annual salary.

**Disability Insurance:** City-paid benefit.

	Short-Term Disability (STD)	Long-Term Disability (LTD)
Benefit Amount	66.67% of covered wages	66.67% of covered wages
Maximum Benefit	\$1,846 a week	\$15,000 monthly
Waiting Period	30 calendar days	180 calendar days

**Employee Assistance Program (EAP):** The EAP provides confidential counseling, education and referral on work and life issues at no cost to the employee; subject to provider guidelines.

**Tuition Reimbursement:** Maximum tuition reimbursement is \$1,500 per fiscal year.

**Retirement Benefits:** The City contracts with the California Public Employees Retirement System (CalPERS) to provide retirement benefits and has implemented first, second and third tiers. CalPERS makes the final decision as to which tiered benefit an employee will receive.

Member Contributions: 13.5%

**Tier I (Legacy 3%@50) and Tier II (Classic 2%@50):** Members contribute 9% of the employee rate; the remaining retirement contribution amount is employer rate cost sharing.

**Tire III (PEPRA 2.7%@57):** The minimum required member contribution for Tier III employees is subject to change based on the annual PERS valuation. The employee rate may increase or decrease as provided by CalPERS; the City adjusts the employee rate and adjusts the employer rate contribution so that the total member contribution aligns with Tiers I and II members.

**Deferred Compensation:** The City makes a bi-weekly contribution to FMA employees' deferred compensation accounts in the amount of: \$21.67 effective June 22, 2019; \$43.35 (total) effective June 20, 2020; and \$65.02 (total) effective June 19, 2021.

**One-Time Payment:** All bargaining unit employees in paid status for the entirety of the pay period following City Council adoption of this MOU shall receive a one-time payment of \$2,000 deposited into their deferred compensation account.

<b>RETIREE MEDICAL PLANS</b>
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**Retiree Health Benefits Program:** The City participates in a Retiree Health Savings (RHS) defined contribution plan with contributions paid by both the City <sup>2</sup> and the employee. Employees hired prior to January 1, 2006, and whose age and years of service totaled 50 (46 for public safety) or more, were enrolled in either the fully-converted plan or hybrid plan. Employees hired on or after January 1, 2006 participate in the fully-converted plan. Please refer to the FMA MOU for full details.

**FULLY-CONVERTED PLAN**

**HYBRID PLAN**

**I. Employee payments to City to support program prior to retirement:**

None.

**I. Employee payments to City to support program prior to retirement:**

\$100 per month until retirement.

**II. Contributions to employees' accounts during employment:**

1. Part A: 1% salary contribution (employee).
2. Part B <sup>2</sup>: \$2.50 per month for each year of service plus age (the City).
3. Part C: Cash from leave conversion at retirement (see MOU for amount).
4. For category 2 participants only: Lump payment upon retirement of \$100 for every month paid into the previous defined benefit plan, prior to January 1, 2006, up to 180 months (the City).

**II. Contributions to employees' accounts during employment:**

1. Part A: 1% salary contribution (employee).
2. Part B: No City contribution.
3. Part C: Cash from leave conversion at retirement (see MOU for amount).
4. Lump payment upon retirement of \$75 for every month paid into the previous defined benefit plan, prior to January 1, 2006, up to 180 months (the City).

**III. City contributions to employees' RHS account after retirement:**

None.

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\$400 per month.

<sup>2</sup> Employees vest in the program after 5 years of continued, full-time service. Once an employee vests, the City deposits the amount accumulated during the five-year waiting period and begins the monthly contributions.