

EMPLOYMENT AGREEMENT
(Receipt of which is hereby acknowledged.)

For consideration, the parties hereby enter into the following Employment Agreement.

I. Parties and Definitions

This agreement is by and between Douglas R. Thornley ("**Employee**") and the City of Sparks, a municipal corporation, ("**CITY**") as employer.

Employee is affirmed:

The "**Effective Date**" is June 3, 2019.

The "**Initial Expiration Date**" is December 31, 2019.

The "**Initial Annual Salary**" shall be \$160,160.00.

There is no "**License Requirement**" for the position.

The "**Position**" to be occupied and performed by Employee is Assistant City Manager.

II. Recitals

Based on Employee's experience and qualifications and information provided to the City during interviews and negotiations leading up to this agreement, the City desires to hire Employee to perform executive functions of the Position.

Employee desires to be employed by the CITY in the Position.

III. Employment.

The CITY hereby employs Employee and Employee agrees to assume the responsibilities and perform the services of the Position on the terms and conditions stated in this agreement.

IV. Duties of Employee.

A. Employee shall perform the duties of the Position generally described in Exhibit A, in the job description and as may be established and changed from time-to-time by the City Manager. (Exhibit A is attached hereto and incorporated herein by reference.) Employee shall be responsible for overseeing the actions of all departments, divisions or functions assigned to Employee. Employee shall assure proper performance of all public services assigned to Employee and further to assure compliance with all resolutions, ordinances, directives and policies of the City Manager as well as all applicable laws.

B. Employee represents that Employee currently meets the Licensing Requirement defined above, if any, and agrees to continuously maintain that requirement. Any disciplinary action taken against Employee by the licensing authority may be grounds for termination for cause, and any revocation of any required license or certificate is grounds for termination for cause.

C. The Position is a public official executive position involving the administration of public programs and protection of public funds, which requires a high degree of skill, integrity and managerial competence, which Employee agrees to provide. Employee also understands the existence, duties, responsibilities, structure and direction of the Position depends in a large degree on public perception and the political process and, therefore, may be subject to changes in political process, public perception, and the needs of the City as determined by the City Manager. Employee may be judged not only based on Employee's skill, integrity, and managerial competence, but may also be judged by public perception of the need for and the actions and performance of the departments, divisions or functions which Employee supervises. Because of the public and political nature of the Position, both parties acknowledge the Employee serves at the pleasure of the City Manager as well as Employee's own pleasure.

D. EMPLOYEE will at all times uphold the tenets of the ICMA Code of Ethics, a copy of which is attached hereto as Exhibit B and incorporated herein. Specifically, EMPLOYEE shall not endorse candidates, make financial contributions, sign or circulate petitions, or participate in fund-raising activities for individuals seeking or holding elected office, nor seek or accept any personal enrichment or profit derived from confidential information or misuse of public time.

CITY shall support EMPLOYEE in keeping these commitments by refraining from any order, direction or request that would require EMPLOYEE to violate the ICMA Code of Ethics. Specifically, neither the governing body nor any individual member thereof shall request EMPLOYEE to endorse any candidate, make any financial contribution, sign or circulate any petition, or participate in any fund-raising activity for individuals seeking or holding elected office, nor to handle any matter of personnel on a basis other than fairness, impartiality and merit.

V. **Compensation and Benefits; Executive Resolution; Performance Reviews.**

A. General CITY agrees to pay compensation and provide those benefits as set forth and changed from time-to-time for the Position by resolution of the Sparks City Council. Attached hereto as Exhibit C is the current "Executive Resolution" pertaining to the Position, which is incorporated herein as if set forth in full.

B. Salary and Bonus. The Employee salary is established at a pay rate equal to the Initial Salary Rate defined above commencing on the Effective Date of this agreement, and together with all benefits and privileges set forth in the Executive Resolution attached hereto as Exhibit C. The City Manager, subject to City Council approval, may amend the annual compensation to the Employee at any time during the calendar year, based upon the completion of a written evaluation.

C. Evaluations. No later than November of each year, the City Manager will conduct

an annual evaluation of the effectiveness and performance of the Employee, with any recommendations or changes in compensation or performance bonus provided to the Employee with the first pay period in December of each year, if any.

D. ICMA. The CITY agrees to pay for Employee to obtain ICMA accreditation and membership and shall pay for Employee to attend the yearly conference. This includes the reasonable costs of flights, meals and lodging for conference attendance.

E. Nevada Law License. The CITY agrees to pay all fees and reasonable expenses associated with or incurred in connection with any and all professional licenses and memberships maintained by Employee as of the effective date of this Employment Agreement, including but not limited to annual fees, continuing education requirements, and reasonable expenses incurred in connection therewith.

VI. Term of agreement; renewals; general obligations upon termination.

A. General. If approved by the City Council of the City of Sparks, this agreement commences on the Effective Date and expires on the Initial Expiration Date, unless sooner terminated as provided herein. For administrative convenience, the CITY may, but is not obligated to, extend the expiration or early termination date to the end of a pay period; any such extension is not considered a renewal.

B. Renewals. This agreement expires on the Initial Expiration Date. If renewed after the Initial Expiration Date, it becomes a year-to-year agreement, with each "Contract Year" beginning on January 1, and ending on December 31. At the end of the Initial Expiration Date and at the end of each Contract Year thereafter, this agreement is deemed automatically renewed unless either party gives 30 calendar days prior written notice of nonrenewal. Either party may elect not to renew this agreement for any reason or for no reason at all, and it is agreed if either party elects not to renew this agreement, the party is not obligated to give a reason. It is further agreed successive renewals do not imply any obligation to continue this employment relationship or create an expectation that either party will continue to renew this agreement.

C. Termination. For purposes of interpreting this Agreement, whenever the general term "terminate" or any of its derivative forms is used, such terms shall generally mean separation from employment, whether or not cause is established. The use of the term "termination" is not intended to, and does not create any legal requirement that termination be premised on a determination of cause or breach of this Agreement. The services of Douglas R. Thornley as Assistant City Manager may be terminated by any of the following methods:

1. Mutual Agreement. Termination of employment in accordance with a written mutual agreement which is executed by both parties with terms of the termination and any potential compensation as agreed to by the parties in the Agreement.

2. Termination Without Cause. At any time, CITY, by appropriate City Manager action or Employee, individually, may terminate Employee's employment without cause, by providing thirty (30) days advance written notice (may be referred to as "Termination Without Cause"). During such thirty (30) day period, the City Manager, in Manger's sole discretion, may

determine if Employee is to maintain regular business hours for CITY or if Employee should be placed on leave with pay until the termination date of contract.

3. Termination For Cause. Notwithstanding any other terms and condition of this Agreement, at any time and without prior notice, CITY, acting through City Manager, may terminate Employee's employment as Assistant City Manager for cause, as is defined hereafter. A "Termination for Cause" shall mean termination of employment because of any of the following: "Cause" includes, but is not limited to: (i) breach of any provision in this agreement, (ii) violation of any City of Sparks resolution, ordinance, (iii) violation of any county, state or federal constitution, charter, ordinance, statute or regulation (except minor traffic or parking violations), (iv) commission of any act of dishonesty (including but not limited to misrepresentation, fraud, false statements made under oath, false statements made on any official report, false statements made during any administrative or governmental proceeding, false or misleading statements made on any employment application or during interviews leading to employment, any act of misappropriation or failure to account for public funds, or commission of any act of moral turpitude or any act which would tend to derogate public confidence in the government of the City of Sparks should Employee remain in the Position, (v) neglect of duties (including but not limited to excessive absences, failure to exercise the care, skill and diligence of a reasonably prudent executive responsible for administering public programs and safeguarding public funds).

4. Termination Obligations. Upon termination, for any reason, Employee shall be obligated to perform all of the following:

A. Duties of Employee. Employee agrees to (i) leave the premises of CITY if requested, (ii) immediately turn over all records, books, papers, computers (including all computer devices), computer disks or other storage devices, keys, phones, uniforms, tools, credit cards, identification cards or badges, and all other property owned by the CITY or used by Employee in connection with Employee's duties, (iii) discuss with anyone designated by the CITY all work in progress and to reveal all information that may be needed by a person who will perform the duties of the Position, (iv) participate in a termination interview with representatives of the CITY, if requested, and (v) reimburse or indemnify the CITY and hold the CITY harmless from and against all claims, demands, proceedings, suits and actions against the CITY and any and all losses, liabilities, damages or costs incurred by the CITY as a result of any adjudicated breach of this Employment Agreement by Employee.

B. Cooperate in Pending Work and Litigation. Following any termination of Employee, Employee shall fully cooperate with the CITY in all matters relating to winding down of or transfer of pending work and duties to the successor Assistant City Manager. Employee shall also cooperate in defense of any litigation or administrative action brought against the CITY that relates in any way to Employee's acts or omissions while employed as the Assistant City Manager. If after date of termination Employee's cooperation in defense of any such litigation or administrative action requires more than five (5) hours of time, Employee shall be paid at an hourly rate not to exceed One Hundred Fifty Dollars (\$150.00) for Employee's time and all reasonable associated expenses.

5. Severance Payment for Termination Without Cause

If CITY terminates Employee without cause, CITY shall pay to Employee within two (2) weeks following of the end of the 30 (thirty) day notice period the following severance package. Employee is not entitled to any other remedies, contractual or otherwise, for Termination without Cause:

- A. Within thirty (30) days of the contract termination date as set forth in the written termination notice, CITY agrees to pay Employee a total of six (6) month's base salary plus the cash value of six (6) months of CITY benefits as defined in this contract. **In no event shall Employee receive more than a total of six (6) months of pay and cash value of benefits after the contract termination date;**
- B. All salary and benefits, as benefits are defined by this contract, earned and owing associated with the position of Assistant City Manager due at the time of termination; and
- C. Payment for all unused accrued annual leave and personal leave.

6. Severance Payment for Non-renewal of Contract. If Manager does not renew Employee's contract, within thirty (30) days of termination date of contract Employee shall receive the following Non-Renewal Package:

- A. Six (6) month's base salary;
- B. All salary and benefits, as benefits are defined by this agreement, due and owing to Employee associated with the position of Assistant City Manager earned up to the time of termination;
- C. Payment for all unused accrued annual leave, personal leave; and
- D. One-time payment equivalent to the cost of six (6) months of CITY paid benefits as benefits are defined by this agreement.

7. Employee Terminated Contract. If Employee unilaterally terminates this Agreement for any reason, no severance package will be due and owing to Employee. Employee shall receive payment for all unused annual and personal leave and any pay owing.

8. Limitation on retroactive pay or benefits. Notwithstanding any other provision in this agreement to the contrary, any changes to salary, compensation or benefits which are approved by the City Manager or City Council after the expiration or termination of this agreement but made retroactive to a date before the expiration or termination of this agreement will not apply to Employee.

VII. Indemnification.

Employee hereby indemnifies the City against loss of money, securities, and other personal property and further against liability sustained by the City by reason of any act of fraud, dishonesty, forgery, embezzlement, wrongful abstraction, willful misapplication, intentional torts, or criminal acts by Employee.

The CITY agrees to indemnify, defend, and hold Employee harmless from any and all liabilities and/or losses, costs, damages or expenses, including, but not limited to attorney's fees incurred by Employee in the course and scope of Employee's duties for CITY or in any way related to Employee's association with CITY as an employee or agent of CITY. The obligation of CITY in this section VII shall survive the term of this Employment Agreement and termination of Employee's employment for any reason whatsoever.

VIII. General Terms

A. No assignment. Neither party shall delegate any duty or assign any right under this agreement, such delegation or assignment is void. As to Employee, this agreement is a personal service contract and is not binding on nor inures to the benefit of any heirs, successors, or assigns of Employee.

B. Modification. Except for changes to Exhibits A, B, and C any modification of this agreement or additional obligation assumed by either party in connection with this agreement shall be binding only if evidenced in writing signed by each party or an authorized representative of each party and may be subject to ratification by the City Council.

C. No waiver. The failure of either party to this agreement to insist on the performance of any of the terms and conditions of this agreement shall not constitute a waiver unless expressed in writing, and any written waiver shall not be construed as or create an implication or expectation that any future waivers will be given.

D. Attorney Fees. In the event that any proceeding (including appeals to the City Council, arbitration, mediation, or litigation) in relation to this agreement, each party will pay its own attorney's fees regardless of who prevails in any such proceeding. Costs may be allocated between the parties under the rules of such proceedings, but if the rules do not provide for allocation of costs, then each party will bear its own costs of the proceeding.

E. Partial Invalidity. The invalidity of any portion of this agreement will not and shall not be deemed to affect the validity of any other provision. In the event any provision of this agreement is held to be invalid, the parties agree the remaining provisions shall be deemed to be in full force and effect as if they had been executed by both parties subsequent to the expungement of the invalid provision.

F. Governing Law; jurisdiction, venue. The ordinances and resolutions of the City Council as well as the laws of Nevada shall govern this agreement without regard to conflicts of laws principles. Any action or proceeding seeking to enforce any provision of or based on any

right arising out of this agreement may be brought against either party in the District Court for the State of Nevada, in which case the proper venue is the Second Judicial District in and for Washoe County, or, if federal jurisdiction is obtained, in the United States District Court for the District of Nevada, in which case the proper venue is the Northern Division.

G. Notices. Notices under this agreement shall be in writing and shall be deemed given at the earlier of (1) when actually received by the City Manager for notices given to the City, (2) when actually received by Employee for notices to Employee, or (3) three business days after mailed to either party by U.S. Mail, first class, postage prepaid, mailed to the City at the current address for City Hall or to Employee at the current address appearing in City employment records.

H. Entire Agreement. This agreement, together with the Exhibits attached hereto as those Exhibits may change from time to time, constitute the entire agreement of the parties and any prior understanding or representation of any kind preceding the date of this agreement shall not be binding upon either party except to the extent incorporated in this agreement.

DATED this 2019 day of _____, to be effective on the Effective Date specified above.

CITY

EMPLOYEE

The City of Sparks

By _____,
Ronald E. Smith
Mayor

Douglas R. Thornley
Assistant City Manager

By _____
Neil C. Krutz
City Manager

Approved as to Form:

Attest:

City Attorney

City Clerk

EXHIBIT A



Assistant City Manager

Class Code:
ASCTYMGR

Bargaining Unit: Executive Resolution

CITY OF SPARKS
Established Date: Nov 1, 2017
Revision Date: Feb 13, 2019

SALARY RANGE

\$65.14 - \$97.70 Hourly
\$11,290.93 - \$16,934.67 Monthly
\$135,491.20 - \$203,216.00 Annually

DESCRIPTION:

Plan, coordinate and provide direction to major functional areas of the City. Provide policy guidance to the City Manager and coordinate the activities of assigned staff and services. Foster cooperative working relationships with city staff, civic groups and intergovernmental agencies.

DISTINGUISHING CHARACTERISTICS

This single class has administrative and functional responsibility for policy development and program planning and implementation with citywide implications.

QUALIFICATIONS:

Applicants must possess the following minimum qualifications to continue in the recruitment process:

Education and Experience:

Bachelor's Degree in public administration, business or a related field and five years management, supervisory or administrative experience.

Licenses and Certificates:

Specified positions may require possession and maintenance of the equivalent to a valid Nevada Class C driver's license within thirty (30) days of hire.

Must possess and maintain Incident Command System (ICS) 100/200 within 90 days of hire and ICS 300/400 as soon as available.

International City/County Managers Association Credentialed Manager designation is preferred.

EXAMPLE OF ESSENTIAL DUTIES:

Assist in the development and coordination of the implementation of citywide goals, objectives, policies, procedures and work standards. Work closely with the City Manager, the Mayor, City Council, other city departments, management, public and private organizations and citizen groups in developing programs and implementing projects to solve problems related to city services and to provide technical assistance, directly or through subordinate staff.

Assist in the preparation and administration of the City's budget and strategic planning process.

Select, direct, motivate and evaluate staff; provide for their training and professional development

Confer with and advise the City Manager, the Mayor and the City Council on specific issues and programs. Prepare and recommend plans for City services and programs. Develop specific proposals for action on current city needs. Develop and implement goals, objectives, policies, procedures and internal controls

Direct and coordinate the preparation of a variety of reports or presentations for city management or outside agencies.

Analyze complex technical and administrative problems, evaluate alternative solutions and adopt effective course of action

Direct the development of management systems, procedures and standards for program evaluation and monitors developments related to specified service areas.

Direct and coordinate the development of municipal rules and policies, governance models and intergovernmental relationships.

Perform other duties which may be assigned.

Knowledge, Skills and Abilities:

- Principles, practices and analysis of budget, strategic planning and financial process and reporting
- Principles and practices of labor negotiations and employee contract administration
- Principles, practices and program areas related to municipal activities and functions
- Applicable guidelines and standards affecting the administration of delegated program areas
- Principles and practices of contract administration and evaluation
- Principles of governance, municipal rules and policies, municipal processes, and political policy
- Basic principles and practices of risk management and insurance evaluation
- Funding sources impacting program and service development
- Social, political and environmental issues influencing program administration
- Plan, organize, administer and coordinate a variety of city services and programs
- Prepare clear and concise reports, correspondence and other written materials using a variety of media
- Publicly present or speak on topics for the city and council
- Effectively teach municipal government functions, policies and governance topics
- Exercise sound independent judgment within general policy guidelines
- Principles and practices of emergency management
- Manage emergency events using the Incident Command System
- Train others in work procedures
- Computer applications and software related to the work including Microsoft Office

- Establish and maintain cooperative working relationships with a variety of citizens, public and private organizations, boards and commissions and city staff

Physical Demands:

Requires ability to work in a typical office setting and use standard office equipment. Requires the ability to work outside in varied weather conditions and terrain and exposure to traffic and hazardous materials.

SUPPLEMENTAL JOB INFORMATION

- This position is Exempt under FLSA guidelines
- This position is at-will and exempt from the Regulations of the Civil Service Commission
- This position is subject to an Employee Agreement
- May be required to work during emergency circumstances or inclement weather conditions
- This position reports to the City Manager
- Supervision exercised: As a member of the City Manager's Office and as an Executive Manager, has the authority and responsibility to ensure all employees represent the City in a professional and courteous manner. Act as City Manager as required and direct Department Directors and city staff.
- May be required to pass a pre-placement drug screen and background investigation

EXHIBIT B

ICMA CODE OF ETHICS

The mission of ICMA is to create excellence in local governance by developing and fostering professional local government management worldwide. To further this mission, certain principles, as enforced by the Rules of Procedure, shall govern the conduct of every member of ICMA, who shall:

1. Be dedicated to the concepts of effective and democratic local government by responsible elected officials and believe that professional general management is essential to the achievement of this objective.
2. Affirm the dignity and worth of the services rendered by government and maintain a constructive, creative, and practical attitude toward local government affairs and a deep sense of social responsibility as a trusted public servant.
3. Be dedicated to the highest ideals of honor and integrity in all public and personal relationships in order that the member may merit the respect and confidence of the elected officials, of other officials and employees, and of the public.
4. Serve the best interests of the people.
5. Submit policy proposals to elected officials; provide them with facts and advice on matters of policy as a basis for making decisions and setting community goals; and uphold and implement local government policies adopted by elected officials.
6. Recognize that elected representatives of the people are entitled to the credit for the establishment of local government policies; responsibility for policy execution rests with the members.
7. Refrain from all political activities which undermine public confidence in professional administrators. Refrain from participation in the election of the members of the employing legislative body.
8. Make it a duty continually to improve the member's professional ability and to develop the competence of associates in the use of management techniques.
9. Keep the community informed on local government affairs; encourage communication between the citizens and all local government officers; emphasize friendly and courteous service to the public; and seek to improve the quality and image of public service.
10. Resist any encroachment on professional responsibilities, believing the member should be free to carry out official policies without interference, and handle each problem without discrimination on the basis of principle and justice.
11. Handle all matters of personnel on the basis of merit so that fairness and impartiality govern a member's decisions pertaining to appointments, pay adjustments, promotions, and discipline.
12. Public office is a public trust. A member shall not leverage his or her position for personal gain or benefit.

Adopted by the ICMA Executive Board in 1924, and most recently revised by the membership in June 2018.

EXHIBIT C

**CITY OF SPARKS
EXECUTIVE EMPLOYEE RESOLUTION
JULY 1, 2018 THROUGH JUNE 30, 2021**

RESOLUTION NO. 3344

INTRODUCED BY COUNCIL

A RESOLUTION DENOTING CERTAIN EMPLOYEE POSITIONS AS EXECUTIVE; PROVIDING FOR SALARIES FOR EMPLOYEES IN THESE POSITIONS; PROVIDING BENEFITS FOR THESE EMPLOYEES; PROVIDING FOR THE REPEAL OF ALL PRIOR RESOLUTIONS; AND PROVIDING OTHER MATTERS PROPERLY RELATED THERETO.

IT IS RESOLVED by the City Council of the City of Sparks as follows:

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If an employee's pay is within the pay range in Appendix A, the employee shall receive applicable cost of living and merit increases, if any, as provided in Section 2 Articles A and B of this Agreement. At no time shall the employee's pay be greater or lower than the pay set forth for the employee's classification and compensation range.

Nothing herein or in the adopted classification and compensation program shall restrict management's right to assign and allocate responsibilities, job duties or reclassify a job position. Nothing herein or in the adopted classification and compensation program shall restrict management's right to demote, discipline or decrease an employee's salary as provided in this Resolution or in the City Administrative Rules.

1. **Pay Rates:** The pay rates set forth in Appendix A are base pay rates. No employee shall be paid at a rate above the maximum or below the minimum in the range to which the position class is assigned.
2. **Cost of Living Adjustment (COLA):**
 - a. Effective the first full pay period after July 1, 2018, employees shall receive a COLA of no less than one percent (1.0%) and no greater than three percent (3.0%), based on the Consumer Price Index (CPI) as determined by the Bureau of Labor Statistics. The specific CPI is outlined in the Appendix A.
 - b. Effective the first full pay period after July 1, 2019, employees shall receive a COLA of no less than one percent (1.0%) and no greater than three (3.0%), based on the Consumer Price Index (CPI) as determined by the Bureau of Labor Statistics. The specific CPI is outlined in the Appendix A.
 - c. Effective the first full pay period after July 1, 2020, employees shall receive a COLA of no less than one percent (1.0%) and no greater than three (3.0%), based on the Consumer Price Index (CPI) as determined by the Bureau of Labor Statistics. The specific CPI is outlined in the Appendix A.
 - d. A new Appendix A will be issued including the COLA and the range adjustment when the information becomes available each year.
3. **Pay Periods:** Each two (2) week period shall constitute a pay period. The pay period shall commence on Monday at 12:00 a.m. and end on Sunday at 11:59 p.m. The dates of payment shall be established by the City.
4. **Work Week:** The basic work week shall commence on Monday at 12:00 a.m. and end on Sunday at 11:59 p.m.
5. **Initial Appointment:** Upon entering an appointive position, an employee shall receive compensation commensurate with their education and experience as determined by the City Manager.
6. **Demotions:** When an employee is demoted to a position in a class allocated to a lower pay range the employee shall be reduced five percent (5%) or to the maximum rate of the new class, whichever is lower.
7. **Reduction of Pay:** The City Manager may reduce an employee from any increment of the salary range, other than the first increment, to any appropriate lower increment of the salary range, upon failure of the employee to maintain the standard of work set forth for the increment of the salary range upon which the employee has been placed. In such event, the City Manager may again raise the increment to any increment not higher than that from which the employee was reduced should the employee's standard of service be reestablished

Article E: CLOTHING AND PERSONAL ITEM ALLOWANCE

1. **Uniform Allowance:** The Police Chief and Fire Chief are required to maintain uniforms and shall be paid a uniform allowance in the amount of twenty dollars (\$20.00) per week.
2. **Watches, Cellular Phones and Eyeglasses:** The City agrees to reimburse employees to a maximum of one hundred and fifty dollars (\$150.00) for each incident for each pair of eyeglass frames and cellular phones, and the actual cost of prescription lenses, and seventy-five dollars (\$75.00) for each watch, which is lost, damaged or destroyed while performing job related duties, as certified by the Department Head and approved by the City Manager. If an employee has a City issued cellular phone, the reimbursement for cellular phone will not apply.

SECTION 3: BENEFITS

Article A: GROUP HEALTH, LIFE AND LONG-TERM DISABILITY INSURANCE

1. **Eligibility:** All employees are eligible for group health insurance (medical, dental, vision, pharmacy, life) and long-term disability insurance, and may on the first of the month following employment, be eligible to enroll in the City's group health insurance plan and long-term disability insurance, provided however, such employee is not excluded from enrollment by conditions of the Group Health Plan Document.
2. **City/Employee Share of Premium:**
 - a. The City shall pay the entire premium for group health and life insurance for each employee and for the employee's eligible dependents for employees hired on or before June 30, 2006.
 - b. For employees hired on or after July 1, 2006 the City shall pay the entire premium for group health and life insurance for each employee and seventy five percent (75%) of the actuarially determined premium for the employee's eligible dependents enrolled in the City's plan and employees shall pay twenty five percent (25%) of the monthly insurance premium for their eligible dependents.
 - c. The City shall pay one hundred percent (100%) of the total premium for the basic long-term disability plan offered by the City. Additional premium for any "buy-up" to the plan is the employee's responsibility.
3. **Status While on Leave of Absence:** An employee on unpaid Leave of Absence from the City may continue to carry the City group health and life insurance and long-term disability policy by making the full premium payment in accordance with applicable federal regulations.
4. **Long-Term Disability Insurance Upon Separation from City Service:** Employees who separate from City service may be eligible to convert the long-term disability coverage through the insurance company. The individual is responsible for one hundred percent (100%) of the premium cost and shall pay the premium directly to the insurance company.
5. **Group Health Insurance Committee:** The purpose of this Committee is to discuss cost containment measures and to recommend to the City Council any benefit changes to the City's self-insured group health and life insurance plan.

The Committee shall be comprised of one (1) voting member and one alternate member from each of the following represented groups:

- Operating Engineers (OE3)
- Sparks Police Protective Association (SPPA)
- International Association of Firefighters (IAFF)

When a retired employee becomes eligible for Medicare or other federal programs, the retiree will receive Medicare supplemental coverage so long as there is a balance of accumulated sick leave adequate to cover the monthly premium, or if the retiree has made arrangements to pay for the City coverage directly.

A surviving spouse will continue to receive group health insurance under this benefit so long as there is a balance of accumulated sick leave adequate to cover the monthly premium, or if the spouse has made arrangements to pay for the City coverage directly.

This benefit is nontransferable and does not survive the retiree except as to a surviving spouse as described above.

The fund to which the accumulated sick leave is credited does not accrue interest and does not have cash value. The City pays for the retiree's group health insurance coverage by debiting the monthly cost of such coverage from the retiree's accumulated sick leave balance and paying the actual cost of such coverage out of the appropriate city fund.

The retiree may request an annual summary of their sick leave conversion balance.

3. Sick Leave Cash-Out Provision: As an alternative to Sick Leave Conversion, employees, upon retirement, may elect a cash out of this benefit as follows:

Years of Service	Cash-Out Percentage
10	50%
15	60%
20	75%
21	80%
22	85%
23	90%
24	95%
25 or more	100%

Employee may elect an annual payment of conversion dollars in annual payments that provide equal payout over time.

Maximum annual payment will not exceed twenty-five thousand dollars (\$25,000.00). Once election is made, it may not be changed. Upon death of the employee, payments will cease. If the sick leave payout is nominally over twenty-five thousand dollars (\$25,000.00), at the discretion of the Financial Services Director, the remaining balance may be paid.

If the account is valued at less than fifteen-thousand dollars (\$15,000.00), and cash-out is elected, the full amount will be paid upon termination of employment. If the sick leave payout is nominally over the fifteen-thousand dollars (\$15,000.00), at the discretion of the Financial Services Director, the remaining balance may be paid out.

If the employee chooses the cash-out option, the employee is not eligible to continue on the City's group health insurance plan for themselves and dependents. However, employee may return per NRS on any even-numbered year and pay the full cost of coverage and annual cash payments may continue as selected.

Upon a non-service related death of the employee, the employee's beneficiaries or estate will receive a one-time payment in accordance with years of service in the sick leave cash out table. At no time, will the payment exceed twenty-five thousand (\$25,000.00). After the initial payment, the payments cease.

SECTION 4: LEAVE BENEFITS

Article A: HOLIDAYS

1. The following holidays are established as legal holidays:

New Year's Day	January 1
Martin Luther King Jr.'s Birthday	3rd Monday in January
Washington's Birthday	3rd Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	1st Monday in September
Nevada Day	Last Friday in October
Veteran's Day	November 11
Thanksgiving Day	Thanksgiving Day
Day after Thanksgiving	Friday after Thanksgiving Day
Christmas Day	December 25

And, any other day that may be declared a holiday by the Mayor of the City of Sparks, the Governor of the State of Nevada or a national holiday by the President of the United States. Special Holidays granted by the President of the United States for federal employees under Executive order 11582 are not city Holidays.

2. Holidays shall be observed as follows:
- a. If a legal holiday falls on the first day of employees scheduled day off, the day preceding shall be observed as a holiday.
 - b. If a legal holiday falls on the second or succeeding day of consecutive scheduled days off, the next succeeding work day shall be observed as a holiday.

Article B: ANNUAL LEAVE

1. **Eligibility:** For the purpose of determining eligibility for Annual Leave allowance, the term "continuous service" shall be that service commencing with appointment to a position and continuing until termination.

For the purpose of determining Annual Leave earned, the term "actual service" shall mean the number of days actually worked on the job; provided, however, that absence from work due to Sick Leave with pay, Annual Leave with pay, Voluntary Unpaid Leave as specified in Section 4, Article H, or injury or illness incurred in the City service shall be deemed actual service.

2. **Accrual of Annual Leave:**

Years of Continuous Service	Accrual Rate per Bi-Weekly Pay Period
Less than 10 years	6.5 hours
10 years or more	7.1 hours
15 years or more	7.9 hours
20 years or more	8.4 hours

No maximum is established, however employees in this category are expected to take a least three (3) weeks of annual leave per fiscal year and may be directed by the City Manager to utilize such annual leave as deemed necessary.

3. Authorized Use of Sick Leave: Sick Leave with pay, can only be granted in the case of a bona fide illness of an employee or a member of the employee's immediate family, defined as spouse or the employee's children or parents. Sick Leave may also be used for bereavement leave in the event of death of a relative to the third degree of consanguinity and affinity or domestic partner. See Appendix B.

Sick Leave used for bereavement leave shall be limited to forty (40) hours per incident, except as approved in advance by the City Manager.

4. Certificate of Illness: Evidence in the form of a physician's certificate shall be furnished as proof of adequacy of the reason for the employee's absence during the time when sick leave was requested. Certificates may be required by the City Manager when there is:
 - a. Absence in excess of three (3) days or;
 - b. Whenever there is reason to believe that the Sick Leave privilege is being abused.
5. Forfeiture of Sick Leave: No City employee shall be entitled to Sick Leave while absent from duty on account of disability arising from any conduct which is in violation of federal, state or local statute, written city or departmental policy or direct order of the City Manager.
6. Advancing Sick Leave: Upon application to the City Manager, an employee may be advanced Sick Leave not to exceed sixty (60) working days and will be subject to the following:
 - a. Request for advancement of Sick Leave will be supported by a medical certificate.
 - b. All available accumulated Sick Leave will be exhausted before advancement.
 - c. All available accumulated Annual Leave will be exhausted before advancement.
 - d. All available Personal Leave Days will be exhausted before advancement.
 - e. There is reasonable assurance that the employee will return to duty to earn and repay the advance credits.
 - f. If the employee terminates prior to restoring advance sick leave any amounts owing will be deducted from the employee's final paycheck.

The City Manager will be the final approving authority on Advancement of Sick Leave requests.

7. Recovery for Damages: If an employee recovers damages for time lost, the employee shall not receive Sick Leave pay under this Article for the same time; or having received sick leave prior to the recovery of damages, the employee shall repay the City for any amount paid therefore under this Article.
8. Minimum Sick Leave to be Taken: The minimum Sick Leave time which may be taken at any one time shall be one (1) day.
9. Payment for Accumulated Sick Leave:
 - a. In the event of a job-related death or total permanent disability, the City shall pay one hundred percent (100%) of the accumulated sick leave.
 - b. Employees in good standing with a balance of more than four hundred (400) hours of sick leave may cash in a portion of the balance over four hundred (400) hours each year and shall be credited with twenty percent (20%) of the cashed in balance.

If the employee is on duty and witnesses an event not related to the performance of their duty, but as a bystander witness, they will not be compensated for the court appearance. Additionally, the employee will not be paid Court Leave pay for any court appearance as a witness against the City.

Article F: MILITARY LEAVE

Military leave shall be in compliance with the Uniformed Services Employment & Re-employment Rights Acts of 1994, and the City's Administrative Rule on Military Leave.

Any employee on authorized military leave is obligated to furnish a statement of gross base military pay for the number of regular work days for which the employee took military leave. Such statement shall be furnished upon the employee's return from military leave to the Financial Services Department.

Article G: LEAVE OF ABSENCE

An employee who is absent for a full day is entitled to compensation for Sick Leave, Annual Leave, or other paid leave. Any employee who is absent for a full day due to illness or annual leave is only entitled to compensation in relation to the amount of accumulated sick leave, annual leave or other paid leave.

Appointed employees may be granted a Leave of Absence as authorized by the City Manager, not to exceed one (1) year. Any employee on such leave shall receive no compensation from the City during the period of absence. The leave of absence shall be deemed to be of benefit to the City as well as the employee.

An employee must complete five (5) years of service to be eligible for a Leave of Absence.

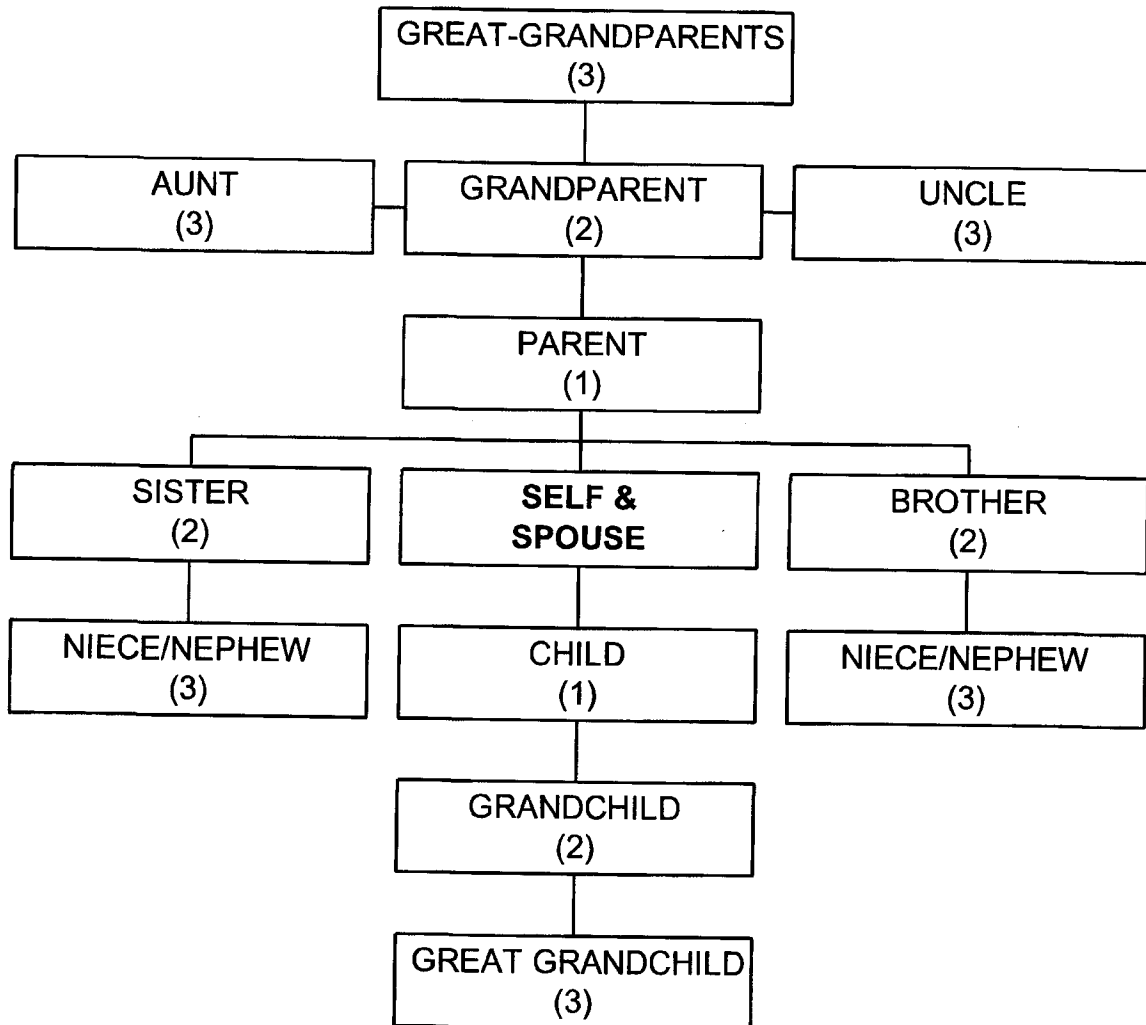
Article H: VOLUNTARY TIME OFF

In special circumstances, and with City Manager approval, an employee may choose to take up to four (4) weeks unpaid time off per fiscal year. During this period, the employee's benefits will remain in force, with all applicable accruals.

This unpaid time off is not considered a Leave of Absence as outlined in Section 4, Article G.

APPENDIX B - DEGREES OF CONSANGUINITY AND AFFINITY

**DEGREES OF
CONSANGUINITY AND AFFINITY**



Note - spouse includes domestic partner

APPENDIX A - Job Class and Salary

Position	Date Effective:	4/22/2019	4/22/2019	4/22/2019
		Level	Annual Min*	Annual Max*
Assistant City Manager		23	\$135,491	\$ 203,216
Chief Financial Officer		22	\$125,466	\$ 188,178
Fire Chief		22	\$125,466	\$ 188,178
Parks & Recreation Director		19	\$95,971	\$ 143,936
Police Chief		22	\$125,466	\$ 188,178

CPI

CPI for All Urban Consumers (CPI-U): Selected Areas, all items index - West urban Size B/C - 50,000 to 1,500,000" from comparing December to December of the previous year. This CPI is a non-seasonally adjusted, annual index and will be rounded to the nearest on tenth decimal point (CPI Series ID: CUURN400SA0).

* Dollar Amounts are rounded. For exact wage amounts, refer to the City of Sparks' "Position Report by Title"