RESOLUTION NO.

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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SECTION 1: ADMINISTRATION

The City Manager shall administer the pay plan in accordance with the provisions established herein.

SECTION 2: DESIGNATION OF EXECUTIVE EMPLOYEES

- 1. The Executive positions of the City are listed on Appendix A and include the City Manager, Assistant City Manager(s) and Department Heads. All Executive employees will be appointed and will negotiate an employment agreement with the City prior to being hired. This employment agreement shall not conflict with the provisions of this Resolution.
- 2. It is understood under this Resolution that the City Manager's benefits and salary, other than those specified by contract, are to be approved by the City Council.
- 3. The employees appointed by the City Manager under this Resolution have individual employment agreements with defined pay, benefits and job duties including specified termination and renewal clauses. The City Manager, at his discretion under this Resolution, may alter that renewal clause of the appointed employee. Under no circumstance should an appointed employee under this Resolution be given less than one hundred and eighty (180) days separation benefits upon notice of non-renewal, which shall include severance pay and/or benefits as determined by the City Manager and/or the employee's employment agreement.

SECTION 3: PAY RATES & REGULATIONS

1. Pay Rates:

FY 2010-2011

Base salary rates will remain at the June 30, 2010 rate, except as may be adjusted due to reclassification. Employees will be required to make a salary and/or benefits reduction equal to 7.5% of base pay, and associated salary driven benefits.

FY 2011-2012

Base salary rates will remain at the June 30, 2011 rate, except as may be adjusted due to reclassification and as adjusted for PERS increases/decreases as stated in Section 4.

- 2. <u>Pay Periods</u>: Each two week period shall constitute a pay period. The pay period shall commence on Monday at 12:01 A.M. and end on Sunday at Midnight. The dates of payment shall be established by the Financial Services Director.
- 3. <u>Work Week</u>: The basic work week shall commence on Monday at 12:01 A.M. and end on Sunday at midnight.
- 4. <u>Initial Appointment</u>: Upon entering an appointive position, an employee shall receive compensation at "Minimum Salary" of the Salary Schedule in the job classification for which the employee was hired. When economic conditions, unusual employment conditions or exceptional qualifications of a candidate for employment indicate that a higher hiring rate would be in the City's best interests, the City Manager may hire at a higher starting salary than the minimum of the range in the Salary Schedule.

- 5. <u>Demotions</u>: 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.
- 6. <u>Reduction of Pay</u>: 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.
- 7. <u>Reclassification of Position</u>: When an employee's position is reclassified to a higher pay range, the employee shall be placed into the new pay range with a minimum five percent (5%) increase. Under no circumstances, however, shall any employee be paid more than the top of the employee's salary range.

In those cases where an employee's position is reclassified to a lower pay range, the employee shall be placed into the new pay range at the same pay rate at which the employee is presently serving, or the top of the new range, whichever is less.

- 8. <u>Full-Time Service</u>: For the purposes of determining eligibility for merit advancements and accrual of benefits, the term "full-time service" shall mean the number of days actually worked on a job including all absences with pay. Leave of absence without pay shall not be credited as full-time service.
- 9. <u>Part-Time Employment</u>: Full-time positions currently approved within the budget may be filled on a part-time basis. Benefits attendant to part-time positions shall be determined by the City Manager on an individual basis.
- 10. <u>Special Pay Considerations:</u> In special circumstances, and with City Manager approval, an employee may choose to reduce their individual pay rate, waive payment of longevity, or other pay considerations. These reductions are voluntary, and will require the submission of a written request, effective for the Fiscal Year of the request only.
- 11. <u>Voluntary Time Off:</u> 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 12.
- 12. <u>Voluntary Reductions in Salary or Benefits: Should</u> an employee voluntarily make a reduction in pay, benefits, or hours worked as outlined in numbers 10 and 11 above, the City Manager may make non-monetary considerations for the benefit of such employees.
- 13. <u>Watches, Cellular Phones, and Eyeglasses</u>: 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 (\$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 or his designee. If an employee has a city-issued cellular phone, the reimbursement for cellular phone will not apply.
- 14. <u>Cellular Phone Reimbursement:</u> At the employee's request, the City Manager may approve a reimbursement of \$75 per month paid for use of personal cellular phone. If an employee has a city-issued cellular phone, the reimbursement for cellular phone will not apply.
- 15, <u>Automatic Payroll Deposit</u>: Effective January 1, 2011, employees will be required to enroll in direct deposit for payroll purposes, and no 'live' checks will be issued.

16. Acting Pay: The City Manager may assign an employee within this Resolution to a temporary position for which the duties are more complex and the pay grade is higher. The City Manager may provide up to 10% Acting Temporary Pay for the period of the assignment, not to exceed the maximum pay range of the acting position assigned to.

SECTION 4: RETIREMENT

The retirement rights of the employees are as provided by the Statutes of the State of Nevada.

The City will pay 100% of the employee's retirement contribution to the Retirement System through June 30, 2011.

Effective for PERS contribution rate increases/decreases after June 30, 2011 the City and Employee will equally (50/50) split future PERS contribution rate increases/decreases.

SECTION 5: MERIT ADVANCEMENTS

<u>Merit Increases</u>: An employee who has not reached the maximum in the pay range shall be eligible for a merit pay increase, contingent upon the employee's level of job performance, effective with the first full pay period in December. The City Manager has the option to provide merit pay increases or bonus pay at any time during the fiscal year. An employee who may otherwise be eligible for a merit increase, but who was denied such an increase, shall be eligible for review at the discretion of the City Manager for a merit salary increase at any subsequent time during the next twelve (12) months.

Employees hired under this Resolution shall be reviewed by the City Manager at the end of six (6) months employment and, if appropriate, may be given a merit increase at that time.

SECTION 6: COMPENSATED BENEFITS

- 1. <u>Uniform Allowance</u>: The Police Chief and Fire Chief are required to maintain uniforms and shall be paid a uniform allowance in the amount of \$20.00 per week.
- 2. Holidays:
 - a. The following holidays are established as legal holidays:

New Year's Day	January 1
M. L. 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.

- b. Holidays shall be observed as follows:
 - (1) If a legal holiday falls on the first day of employees scheduled day off, the day preceding shall be observed as a holiday.
 - (2) 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.
- 3. Employee Longevity Pay:

Employees covered by this Resolution are entitled to Longevity Pay in the amount of five thousand (\$5,000) (net) each year, to be paid on the first pay period of December.

- 4. Physical Examinations:
 - a. Employees covered by this Resolution may be required to have a complete medical examination conducted each calendar year. The medical examination shall be accomplished by a duly licensed medical doctor who shall be required to report to the City Manager the Executive's fitness for duty.
 - b. The employee covered by this Resolution may choose the physician who is to perform the physical examination or, at the employee's option, the employee may choose the Executive Physical Program offered by Saint Mary's Regional Medical Center.
 - c. The physical examination shall consist of all those essential elements to determine the physical fitness of the individual.
 - d. The cost of such medical examinations shall be paid by the City of Sparks up to the cost of the Executive Physical Program. The employee selecting the option of a private physician to perform the medical examination shall be responsible for any costs above the amount paid by City under the Executive Physical Program.
- 5. <u>Tuition Reimbursement</u>: Upon proof of course completion with either a grade of 'C'or better or a certificate of completion for pass/fail courses, the Financial Services Director shall pay one hundred percent (100%) of tuition, lab fees, required textbooks, and ancillary written course materials, not to exceed one thousand dollars (\$1,000) per fiscal year for job related courses which are approved in writing in advance by the Employee and Customer Relations Manager. Approved certificate programs may also qualify for consideration under this section.
- 6. <u>Auto Allowance</u>: This allowance is provided in lieu of utilizing a City-owned vehicle. At City Manager discretion, an employee may be afforded the use of a City Vehicle in lieu of an automotive allowance. Employees receiving an auto allowance from the City of Sparks are not entitled to use of a City vehicle unless authorized in advance by the City Manager. This rate will be reviewed and adjusted by the I.R.S. published increase or decrease in allowable expense, effective the first day of the first full pay period of July each year.
- 7. <u>Use of City Vehicle:</u> The City Manager may, at the request of an employee in lieu of Auto Allowance, designate employees covered under this Resolution to utilize a City-owned vehicle for City business. Employees so designated shall be permitted to take the vehicle home for after hours or emergency response. Employees designated to receive this option shall not be entitled to an Auto Allowance.
- 8. <u>Compensation</u>: Executive positions shall be compensated on an annual, salaried rate basis and shall not be entitled to Night Differential Pay, Overtime Pay and Worked Holiday Pay. The pay of executive employees is not subject to deductions for absences of less than one work day.

- 9. <u>Personal Leave Days</u>: Employees covered by this Resolution shall be entitled to five (5) days of Personal Leave each fiscal year. Any leave balance remaining as of June 30 shall be forfeited.
- 10. <u>Deferred Compensation Contribution</u>: For employees covered under this Resolution, the City of Sparks will match dollar for dollar the employee contribution to a deferred compensation program up to fifty percent (50%) of the maximum as limited by Federal regulations. The City contribution, which will not exceed the then current Federal limit, will be made only to one of the deferred compensation programs offered by the City.

SECTION 7: ANNUAL LEAVE

- 1. <u>Eligibility</u>: 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 3, or injury or illness incurred in the City service shall be deemed actual service.
- 2. <u>Accrual of Annual Leave</u>:

Years of Continuous Service Less than 10 years 10 years or more 15 years or more 20 years or more Maximum accumulated 40 hour Workweek Annual Leave Accrual Rate per <u>Bi-Weekly Pay Period</u> 6.5 hours 7.1 hours 7.9 hours 8.4 hours o maximum is established, tegory are expected to tak nual leave per fiscal year ar

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 he/she deems necessary.

- 3. <u>Authorizations</u>: All Annual Leave shall be taken at such times of the year as may be approved by the City Manager or Assistant City Manager as appropriate.
- 4. <u>Annual Leave Policy</u>: It is hereby declared to be the policy of the City that employees take their normal Annual Leave each year; provided, however, that for reasons deemed sufficient by the City Manager, an employee may take less than the normal Annual Leave one year with a correspondingly longer Annual Leave the following year. City Manager approval is required for all annual leave requests longer than three consecutive weeks.
- 5. <u>Resignation and/or Retirement</u>: A person about to resign or retire under the provisions of the State Retirement Act and who has earned Annual Leave may be granted an Annual Leave for the time so earned not to exceed the maximum for the employee's classification. Such Annual Leave must be taken prior to the effective date of any such resignation or retirement. In lieu of such Annual Leave, an employee may be granted a lump sum payment for Annual Leave time accrued to the employee's credit. All other employees will be granted a lump sum payment for Annual Leave time accrued to her/his credit.

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- 6. <u>Death of Employee</u>: Upon the death of a person presently on the employment records of this City, a lump sum payment for Annual Leave time accrued to the employee's credit will be made to the employee's beneficiaries or estate. The City Manager shall instruct the Financial Services Director on the disposition of such cases.
- 7. <u>Minimum Annual Leave To be Taken</u>: The minimum Annual Leave time which may be taken at any one time by any employee shall be one day (8 hours).
- 8. <u>Annual Leave On A Holiday</u>: An employee covered by this Resolution who is on Annual Leave on a Holiday shall not be charged Annual Leave for that holiday.

SECTION 8: SICK LEAVE

1. <u>Eligibility</u>: For the purposes of determining eligibility for Sick Leave allowance, the term "continuous service" shall be that service commencing with appointment to a position and continuing until resignation or discharge.

For the purpose of determining Sick 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 3, injury or illness incurred in the City service, unpaid furlough day, and absence on temporary military duty shall be deemed actual service.

- 2. <u>Accrual of Sick Leave</u>:
 - a. Employees covered by this Resolution shall earn Sick Leave credits at the rate of five (5) hours per bi-weekly period or major fraction thereof, computed on the basis of calendar days of actual service.
 - b. <u>Unrestricted Maximum</u>: Accumulation of Sick Leave accruing to an employee's credit which is not used during the year in which earned may accumulate from year to year without restriction to a maximum amount.
 - c. Accrual of Sick Leave shall cease after any period of continuous Sick Leave having a duration of six (6) calendar months.
- 3. <u>Authorized Use of Sick Leave</u>: Sick Leave, with pay, can only be granted with the approval of the City Manager or Assistant City Manager 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. (Table attached as an 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 or designee.
- 4. <u>Certificate of Illness</u>: Evidence in the form of a physician's certificate or certificate of illness executed by the employee and upon the form approved by the City Manager shall be furnished as proof of adequacy of the reason for the employee's absence during the time when sick leave was requested.

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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. <u>Forfeiture of Sick Leave</u>: No City employee shall be entitled to Sick Leave while absent from duty on account of any of the following:
 - a. Disability arising from any sickness or injury purposely self-inflicted or caused by any of the employee's willful misconduct.
 - b. 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.
 - c. Sickness or disability sustained while on Leave Without Pay.
- 6. <u>Fraudulent Claim</u>: Any Department Head that knowingly approves a false claim for sick leave by an employee shall forfeit all accumulated Sick Leave and shall not be allowed to receive or accumulate Sick Leave for a period of thirteen (13) pay periods thereafter. It shall be the duty of the City Manager to enforce this provision.
- 7. <u>Advancing Sick Leave</u>: Upon application to the City Manager, an employee may be advanced Sick Leave. Advanced Sick Leave will not exceed sixty (60) 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 such request.

- 8. <u>Recovery for Damages</u>: If an employee recovers damages for time lost, the employee shall not receive Sick Leave pay under this section 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 section.
- 9. <u>Minimum Sick Leave To Be Taken</u>: The minimum Sick Leave time which may be taken at any one time shall be one day (8 hours).
- 10. Payment for Accumulated Sick Leave:
 - a. The City shall pay upon non-job related death of an employee or an employee who has had ten (10) years of service with the City, payment equal to fifty percent (50%) of unused accumulated

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Sick Leave earned with the City, to a maximum of one thousand five hundred (1,500) hours upon termination or death. In the event of a job related death or total permanent disability as determined by the State Industrial Insurance System, the City shall pay one hundred percent (100%) of the accumulated sick leave.

Employees in good standing with a balance 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. For example, an employee cashing in one hundred twenty (120) hours receives credit for twenty four (24) hours back (120 hours x .2 = 24 hours). To be eligible for the cash in privilege, employees must maintain a minimum sick leave balance of four hundred (400) hours and may not cash in more than 400 hours over their minimum required balance. The maximum cash in shall be eighty (80) hours (400 hours x .2 = 80 hours), which requires a minimum of eight hundred (800) hours on the books prior to the cash in.

This election must be made by April 1, with payment made to the employee with the second paycheck in July. The dollar amount of this cash-in credit, which will be paid at the employee's base salary as of July 1, will be paid directly to the employee.

Employees may elect to retain more than four hundred (400) hours before cashing in hours, or they may decide to not cash in any hours for one (1) or more years. The cash-in privilege is at the discretion of employees electing this benefit.

11. <u>Return to Work</u>: Any employee certified by a physician to be absent from work for a specified period of time due to illness or injury must present a physician's release if the employee wishes to return prior to the date originally specified by the physician.

SECTION 9: SERVICE CONNECTED DISABILITY LEAVE

1. If an employee is absent due to a service connected injury, she/he shall receive current, full, regular pay of sixty (60) days in a twelve (12) month period, without being charged any Sick and/or Annual Leave. After sixty (60) days, the employee shall, by notifying Human Resources in writing, elect one of the following options:

<u>OPTION 1</u>. The employee shall accept as full compensation the amount received from Workers' Compensation.

<u>OPTION 2</u>. The employee shall accept current, full, regular pay and benefits from the City. The employee shall be charged sick leave until the employee's sick leave balance is zero hours, then the employee shall be charged annual leave until the employee's annual leave balance is zero hours. Upon depletion of the sick leave and annual leave hours to a zero balance, the employee shall be compensated by OPTION 1.

The employee cannot change from the employee's original elected OPTION.

- 2. The following procedures shall be adhered to when an employee is compensated by the City, within the maximum of sixty (60) days in a twelve(12)-month period and/or an employee is compensated under OPTION 2.
 - a. All Workers' Compensation payments will be credited to the City.

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b. The employee shall be credited for first annual leave, then sick leave hours charged during this disability. The hours charged to and compensated for by Workers' Compensation are multiplied by two thirds (2/3) and credited to the employee.

In no event shall an employee be allowed to receive the employee's Workers' Compensation payment as well as compensation from the City.

SECTION 10: COURT LEAVE

- 1. Any employee appearing in any court or before the Grand Jury as a party to an action arising out of City employment or as a witness to either a civil or criminal case for the purpose of giving testimony as to facts or knowledge received in the course of City employment, shall receive full compensation as though actually on the job during such time. The employee shall claim any jury, witness or other fee to which the employee may be entitled by reason of such appearance and forthwith pay the same over to the Financial Services Director to be deposited in the General Fund of the City. In all cases, however, the employee shall retain mileage allowance. 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 pay for any court appearance as a witness against the City.
- 2. <u>Reporting on Time Card</u>: Notation will be made on the time card for the hours of court leave granted to the employee while absent from the employee's regularly scheduled duties.

SECTION 11: MILITARY LEAVE

- 1. Military leave shall be in compliance with the Uniformed Services Employment & Re-employment Rights Acts of 1994. In the event that an employee is absent due to being called into one of the military services of the United States or the State of Nevada for "Summer Camp" duty, the employee may continue to receive a salary and other benefits from the City for a period not to exceed fifteen (15) working days.
- 2. <u>Method of Payment:</u> Any employee who is 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 Director.

SECTION 12: 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.

SECTION 13: STATUS WHILE ON LEAVE OF ABSENCE

1. Appointed employees may be granted 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

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employee.

2. An employee must have completed five (5) years of service to be eligible for leave of absence.

SECTION 14: GROUP HEALTH, DENTAL, LIFE, AND LONG-TERM DISABILITY INSURANCE

- 1. <u>Eligibility</u>: All persons heretofore described as being eligible for group health and long-term disability insurance may, after initial employment and following a thirty (30)day waiting period from the first day of the month following employment, enroll in the City's group health insurance plan, which includes dental, vision, life insurance, and long-term disability insurance plan, provided such employee is not excluded from enrollment by conditions of the insurance contract.
- 2. <u>City Employee Share of Premium</u>:
 - 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. For employees hired on or after July 1, 2006 and before July 1, 2010 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 (health/dental/vision/life) 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 (health/dental/vision/life) via automatic payroll deduction for their eligible dependents. For employees hired on or after July 1, 2010 the City shall pay the entire premium for group health and life insurance for each employee and fifty percent (50%) of the actuarially determined premium (health/dental/vision/life) for the employee's eligible dependents. For employees hired on or after July 1, 2010 the City shall pay the entire premium for group health and life insurance for each employee and fifty percent (50%) of the actuarially determined premium (health/dental/vision/life) for the employee's eligible dependents enrolled in the City's plan and employees shall pay fifty percent (50%) of the monthly insurance premium (health/dental/vision/life) to the employee's eligible dependents enrolled in the City's plan and employees shall pay fifty percent (50%) of the monthly insurance premium (health/dental/vision/life) via automatic payroll deduction for their eligible dependents.
 - b. 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. <u>Status While on Leave of Absence</u>: An employee on Leave of Absence from the City may continue to carry the City Group Insurance Policy and long-term disability policy by making full premium payment in accordance with applicable federal regulations.
- 4. <u>Health Insurance Upon Retirement-Sick Leave Conversion</u>:

- a. <u>Eligibility</u>: Employees who elect to have sick leave payoff in cash in accordance with this agreement are not entitled to elect conversion of accumulated sick leave to an insurance benefit. Employees electing sick leave conversion to an insurance benefit are not entitled to sick leave payoff in cash.
- b. <u>Conversion of Accumulated Sick Leave</u>: Employees separating from the City of Sparks may elect to convert a percentage of the employee's accumulated sick leave to an unfunded City account for the purpose of paying for future medical coverage under the City's then existing group medical insurance plan or the medical plan offered through the Public Employees Benefit Plan (PEBP), on a monthly basis in accordance with the following table:

Years	Percentage	Converted

10	50%
11	60%
12	70%
13	80%
14	90%
15	100%

The account would be assigned a present value as of the date of retirement equal to the number of hours of accumulated sick leave times the employee's base hourly rate at the time of retirement. The City will account for a retiree's accumulated sick leave and debit said account on a dollar-for-dollar basis. The City will pay the retiree's medical coverage so long as there is a balance of accumulated sick leave adequate to cover the monthly premium.

When a retired employee becomes eligible for Medicare coverage 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.

A surviving spouse will continue to receive medical coverage under this benefit so long as there is a balance of accumulated sick leave adequate to cover the monthly premium.

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 medical 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 the sick leave balance.

<u>Retention of Previous Conversion Benefits -</u> Should an employee transfer into this contract from another unit or resolution within the City, the employee may retain the conversion benefit earned under the previous contract.

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5. 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.

6. The Group Health Plan Committee, which shall elect a Chairperson and Vice-Chairperson from its membership, shall be comprised of one voting member from each of the following groups or groupings:

Operating Engineers Sparks Police Protective Association International Association of Firefighters Management/Professional/Technical/Executive Confidential

In addition, one retired Employee appointed by the City Manager shall serve as a non-voting member to provide input on the effect of the Committee's recommendations on retirees.

SECTION 15: REPEAL OF PRIOR RESOLUTIONS

All previous Resolutions pertaining to the matter of employees covered by this Resolution are hereby repealed.

Benefits provided under this Resolution shall not be revised unless notice is given to all covered employees and opportunity is provided to meet and confer with the City Manager with the right to appeal to the City Council.

SECTION 16: EFFECTIVE DATE

This Resolution shall be effective as of September 1, 2011, and shall continue in force until June 30, 2012 or until a successor resolution has been approved by City Council.

PASSED AND ADOPTED this _____ day of _____, 2011, by the following vote of the City Council:

AYES:

NAYS:

ABSENT:

APPROVED this _____ day of _____, 2011, by:

GENO R. MARTINI, MAYOR

ATTEST:

APPROVED AS TO FORM:

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LINDA PATTERSON CITY CLERK CHESTER H. ADAMS CITY ATTORNEY

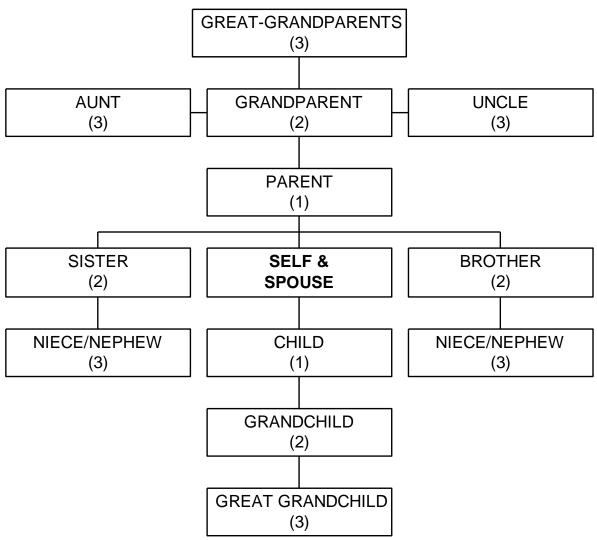
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APPENDIX A – Job Class and Salary Wage Ranges*

For all new hires and promotions into this resolution from a contract after July 1, 2010, salary schedules will be reduced 7.5% from the listed rates.	Effective 09/01/11 – June 30, 2012
Position	Max Annual
City Manager	\$194,034
City Manager Assistant City Manager	\$194,034 \$176,371
Assistant City Manager Deputy City Manager for Community Services	\$176,371
Assistant City Manager	\$176,371
Assistant City Manager Deputy City Manager for Community Services Fire	\$176,371 \$160,338
Assistant City Manager Deputy City Manager for Community Services Fire Chief	\$176,371 \$160,338 \$159,932

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

DEGREES OF CONSANGUINITY AND AFFINITY



Note - spouse includes domestic partner

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