



## STAFF REPORT

**Report To:** Board of Supervisors                      **Meeting Date:** December 2, 2021

**Staff Contact:** Melanie Bruketta, Human Resources Director

**Agenda Title:** For Possible Action: Discussion and possible action regarding a proposed resolution setting forth various employment benefits for unclassified City employees, including a one-time 1% cost-of-living ("COLA") increase on January 1, 2022 and a 2.0% COLA on July 1, 2022 and each July 1 thereafter, and a reduction in the maximum performance pay salary increase from 5% to 3% for employees who receive a performance review rating of "meets expectations" or above. (Melanie Bruketta, mbruketta@carson.org)

Staff Summary: The Board of Supervisors ("Board") last approved a compensation and benefits plan for unclassified employees (employees who are exempted from overtime provisions under the federal Fair Labor Standards Act) on June 17, 2021 with the adoption of Resolution 2021-R-19. This agenda item is for the consideration of a new proposed resolution which includes revisions for consistency with a tentatively agreed upon collective bargaining agreement ("CBA"), negotiations for which were recently concluded between the City and the Carson City Employees Association ("CCEA").

**Agenda Action:** Resolution                                      **Time Requested:** 10 minutes

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### Proposed Motion

I move to adopt Resolution No. 2021-R-\_\_\_\_\_.

### Board's Strategic Goal

Organizational Culture

### Previous Action

The Board last approved a compensation and benefits plan for unclassified employees (employees who are exempted from overtime provisions under the federal Fair Labor Standards Act) on June 17, 2021 with the adoption of Resolution 2021-R-19.

### Background/Issues & Analysis

Resolution 2016-R-7, which was adopted by the Board on June 2, 2016, provided unclassified employees a 1.75% increase to the bottom and top of each grade in the City's compensation schedule on July 1, 2016 through July 1, 2020. With the pending expiration of Resolution 1016-R-7 and consistent with the CCEA CBA, the Board adopted Resolution 2021-R-19 on June 17, 2021 to extend the existing unclassified employee benefits until finalization of a successor CCEA CBA that was being negotiated. Negotiations with CCEA for a new CBA have concluded and will be considered for possible approval by the Board under a different agenda item. Adoption of this proposed resolution would align the compensation plan for unclassified employees with that of CCEA employees, with unclassified employees receiving a one-time 1.0% COLA on January 1, 2022 and a 2.0% COLA on July 1, 2022 and each successive July 1 thereafter. The proposed resolution also revises the manner in which performance pay is given. Under the existing resolution and performance pay schedule, employees receive a salary increase of 2%, 3.5% or 5% each July 1, corresponding with a performance

evaluation rating of "meets expectations," "exceeds expectations" or "outstanding," respectively. If adopted by the Board, the proposed resolution would give a 3% performance pay increase to each unclassified employee who obtains a rating of "meets expectations" or above.

Aligning the compensation plans for unclassified and classified employees ensures that the 2013 Pontifex Study which was conducted to identify appropriate salary ranges and job classifications remains relevant and applicable given the regional employment market, and also helps to avoid salary compaction issues within the City.

**Applicable Statute, Code, Policy, Rule or Regulation**

NRS 244.146; Art. 2, sec. 2.330 of the Carson City Charter; Carson City Municipal Code 2.06.010

**Financial Information**

**Is there a fiscal impact?** Yes

**If yes, account name/number:** Affects all unclassified salaries citywide. Obj 500101 Salaries and 5002XX benefits.

**Is it currently budgeted?** Yes

**Explanation of Fiscal Impact:** There will be a change for Fiscal ("FY") 2022, a 1% COLA on January 1, 2022 and merits will continue with the current 3%, 3.5% and 5% merit pay increases. The proposed resolution includes a COLA adjustment of 2% starting in FY 2023 (July 1, 2022). The merit increases for FY 2023 would then be reduced to 3%. Evaluations will still be prepared by supervising employees and provide narrative ratings of "below expectations," "meets expectations," "above expectations" or "outstanding" for employees, but any rating at or above "meets expectations" will only correspond with a 3% performance pay increase. Citywide salaries and benefits for FY 2022 are expected to increase by \$182,948 from the current budget, and for FY 2023, would increase \$806,909.

**Alternatives**

Do not adopt the proposed resolution and provide alternative direction to staff.

**Attachments:**

[Certificate of Posting.pdf](#)

[Unclassified Resolution 2021 No redline 9.16.21.pdf](#)

[Unclassified\\_Written\\_Statement\\_\\_Redlined\\_Resolution\\_Nov.\\_9\\_\\_2021.pdf](#)

**Board Action Taken:**

Motion: _____	1) _____	Aye/Nay
	2) _____	_____
		_____
		_____
		_____

\_\_\_\_\_  
(Vote Recorded By)

# CERTIFICATE OF POSTING OF NOTICE OF PUBLIC MEETING

I certify by signing below that I posted the written statement regarding the proposed Resolution of the Board of Supervisors of Carson City Setting Forth The Benefits For Unclassified Employees Effective January 1, 2022 (hereinafter "Resolution") and a redlined version of the new Resolution on the 9<sup>th</sup> day of November, 2021 at the following locations:

- Community Center 851 East William Street
- City Hall 201 North Carson Street
- Carson City Library 900 North Roop Street
- Community Development Permit Center 108 East Proctor Street

It is anticipated that the Carson City Board of Supervisors will take action on the proposed Resolution on either Thursday December 2, 2021.



Melanie Bruketta, Human Resources Director

11.9.21

Date

**RESOLUTION NO. 2021-R-**

**RESOLUTION OF THE BOARD OF SUPERVISORS OF CARSON CITY  
SETTING FORTH THE BENEFITS FOR UNCLASSIFIED EMPLOYEES  
EFFECTIVE JANUARY 1, 2022**

**WHEREAS, Section 2.06.010 of the Carson City Municipal Code (“CCMC”) provides that the Carson City Board of Supervisors may formulate and revise policies affecting the compensation and benefits of unclassified employees, and may by resolution fix the salaries, other compensation and benefits of all appointive county officers and employees; and**

**WHEREAS, on June 17, 2021, the Carson City Board of Supervisors adopted Resolution No. 2021-R-19, the most recent adopted resolution concerning the compensation and benefits of unclassified employees, which was effective on July 1, 2021;**

**NOW, THEREFORE, the Carson City Board of Supervisors resolves that:**

**SECTION I. UNCLASSIFIED EMPLOYEES**

Unclassified employees are those employees of the City, who are full-time Fair Labor Standards Act (FLSA) exempt employees. All unclassified employees are “At Will” and as such, may be terminated at any time for any reason, or no reason. This resolution does not serve as a contract of employment with Carson City.

**SECTION II. MANAGEMENT BENEFITS PLAN**

**A. HOLIDAYS**

The following days shall be observed as legal holidays by all employees:

- New Year’s Day (January 1)
- Presidents Day (third Monday in February)
- Martin Luther King Day (third Monday in January)
- Memorial Day (last Monday in May)
- Independence Day (July 4)
- Labor Day (first Monday in September)
- Nevada Day (last Friday in October)
- Veteran’s Day (November 11)
- Thanksgiving Day (fourth Thursday in November)
- Family Day (day after Thanksgiving)

Christmas Day (December 25)

Any other day that the Government of the United States, State of Nevada, or Carson City may declare a legal holiday.

When a designated holiday falls on a Saturday, the Friday before will be observed as the holiday and when the designated holiday falls on a Sunday, the Monday after will be observed as the holiday.

**B. RETIREMENT**

All unclassified employees shall receive full employer paid retirement while participating in the State of Nevada Public Employees' Retirement System (PERS). The City shall adjust the unclassified employees' salaries in accordance with NRS Chapter 286. Carson City will comply with all policies of the Nevada Public Employees' Retirement System (PERS).

Effective July 1, 2014, if PERS or the Nevada State Legislature takes any single action to increase the total contribution rate for the Regular Employee's Retirement Fund or the Police/Fire Employee's Retirement Fund in an amount of 1.5% or less, Carson City will pay one half of the increase up to .75%, and the Employee's salary will be reduced by one half of the increase up to .75%, however, Carson City will increase the Employee's salary on the effective date of the reduction in salary in an amount equal to the reduction made to the Employee's salary.

Effective July 1, 2014, if PERS or the Nevada State Legislature takes any single action to increase the total contribution rate for the Regular Employee's Retirement Fund or the Police/Fire Employee's Retirement Fund in an amount that exceeds 1.5%, Carson City will pay one-half of the increase and the Employee's salary will be reduced by one-half of the increase, however, Carson City will increase the Employee's salary .75% on the effective date of the reduction. (Any amount over 1.5% will be split equally between Carson City and the employee.)

**C. MEDICAL INSURANCE**

The City shall pay 100% of the employee cost and 50% of the dependent cost for the least expensive group medical insurance plan.

**D. HEALTH INSURANCE UPON RETIREMENT**

**I. RETIREES WITH 15-19 YEARS OF SERVICE**

The unclassified employee shall have the option of converting the health insurance coverage at the time of his separation from employment by Employer by commencing to pay 100% of the total premium. The City must pay 75% of retiree group health, dental, vision and life insurance coverage premiums plus 25% of the spouse's and eligible dependent's premium for health, dental and vision except as provided below. The City agrees to cover eligible retirees and dependents, as the term "dependents" is defined in the City's group health insurance plan in existence under the City group health insurance plan offered to active employees, as modified from time-to-time.

- a. In order to be eligible for the benefits provided in this Section, the unclassified employee/retiree must have (i) a minimum of 15 years of full-time equivalent service with the City (one year is equal to 2080 hours); (ii) reached at least 47 years of age; and (iii) shall have actually retired under the Nevada PERS retirement qualifications in existence on the date of the retirement. Provided that, if an unclassified employee retires prior to age 47 and meets the requirements of (i) and (iii) above, the unclassified employee/retiree will be eligible for the benefits of this section upon attaining the age of 47, and, prior to age 47, shall be entitled to continue as a retiree on the City group insurance plan and shall be entitled to payment for insurance for which the unclassified employee would otherwise qualify, provided that, an unclassified Employee retiring before age 47 must continue coverage under the City plan in order to be qualified for the benefits in this section upon attaining age 47.
- b. The City will pay premiums for:
  1. The unclassified employee/retiree from the effective date of Nevada PERS retirement until death. After the retiree reaches the eligibility age for federal benefits under Medicare or age 65, whichever occurs first, the health insurance coverage premium paid by the City on behalf of the retiree will be reduced to either (i) 50% of the “single employee with Medicare premium”, or (ii) the payment to which the retiree would otherwise be entitled under the then existing City policy or regulation providing for insurance payments for retired City employees, were the retiree eligible for insurance contribution under the policy or regulation. The retiree shall, in the retiree’s sole discretion, elect between (i) and (ii), at the time of Medicare eligibility. Under both (i) and (ii) such coverage under the City’s group insurance plan is secondary to Medicare coverage. Provided that, if Medicare age has been increased beyond age 65 by an act of Congress, the 50% payment under (i) shall apply to the “Employee without Medicare” premium. In the event the city eliminates the policy or regulation for subsidizing payment of retiree health insurance, any retiree who elected (ii) above shall automatically revert to receiving the benefits specified in (i) above. In order to receive payment under either (i) or (ii), the retiree must comply with any requirements pertaining to Medicare, which are imposed by the City’s insurance carrier, as a precondition to being eligible to qualify as a retiree covered by the insurance plan, as modified from time-to-time, or required by law.
  2. The spouse of the unclassified employee/retiree (current at time of the employee’s separation from the City) until death or divorce. After the spouse reaches the eligibility age for federal benefits under Medicare, or age 65, whichever occurs first, the health insurance coverage premium paid by the City on behalf of the spouse will be 25% of the “single dependent with Medicare” premium. After reaching the eligibility age for federal benefits under Medicare, such coverage under the City’s group insurance plan is secondary to Medicare coverage. In order to receive payment once the spouse has reached the eligibility age for federal benefits under Medicare, the spouse must comply with any requirements pertaining to Medicare, which are imposed by the City’s insurance carrier,

as a precondition to being eligible to qualify as a spouse covered by the insurance plan, as modified from time-to-time, or required by law. In the event a retiree remarries after separation from the City the spouse will not be included in the health insurance premium subsidy.

3. Dependents (current at the time of the unclassified employee's separation from the City), as defined by the rules of the city group health insurance plan in effect at the time of separation. After the dependent reaches the eligibility age for or is otherwise eligible for federal benefits under Medicare, or age 65, whichever occurs first, the health insurance coverage premium paid by the City on behalf of the dependent will be 25% of the "single dependent with Medicare premium". After reaching the eligibility age for, or if otherwise eligible for federal benefits under Medicare, such coverage under the City's group insurance plan is secondary to Medicare coverage. In order to receive payment once the dependent has reached the eligibility age for or is otherwise eligible for federal benefits under Medicare, the dependent must comply with any requirements pertaining to Medicare, which are imposed by the City's insurance carrier, as a precondition to being eligible to qualify as a dependent covered by the insurance plan, as modified from time-to-time, or required by law.
- c. In the event of death of the unclassified employee/retiree, the spouse will continue to receive the subsidy benefit until death or remarriage subject to requirements above. Dependents, as defined above, will continue to receive benefits in the event of the death of the employee/retiree, as long as they meet the definition of dependents in the City group health insurance plan in effect at the time of retirement.
- d. In the event of a catastrophic injury or medical illness which forces an unclassified employee who has not reached 20 years of service and age 47 to retire from service of the city or as a Nevada PERS disability retirement, this benefit will be prorated for the employee at 5% per year of service after the employee has worked for Carson City for 10 years, up to a maximum of 90% and subject to the provisions above concerning the unclassified employee reaching the eligibility age for or being otherwise eligible for federal benefits under Medicare, or age 65, whichever occurs first. Ten years starts at 50%. The benefit under this section does not apply to spouse or dependents and does not trigger any spousal or dependent benefits Section D.
- e. If the benefits provided to retirees, their spouse and dependents under Section D are modified (reduced or eliminated) in the future, such modification shall not apply to retirees, their spouses and dependents then receiving the benefits, and the retiree, their spouse or dependent shall continue to receive the benefit on the basis specified in this Resolution.
- f. Section D is in exchange for a permanent 1.0% reduction in the unclassified employee's biweekly base salary, effective on and after July 1, 2013. Should the Board of Supervisors eliminate this benefit, the 1.0% reduction in the unclassified employee's biweekly base salary shall be restored on and after the effective date of this benefit.

## II. RETIREES WITH 20 OR MORE YEARS OF SERVICE

The unclassified employee shall have the option of converting the health insurance coverage at the time of his separation from employment by Employer by commencing to pay 100% of the total premium. The City must pay 90% of retiree group health, dental, vision and life insurance coverage premiums plus 50% of the spouse's and eligible dependent's premium for health, dental and vision except as provided below. The City agrees to cover eligible retirees and dependents, as the term "dependents" is defined in the City's group health insurance plan in existence under the City group health insurance plan offered to active employees, as modified from time-to-time.

- a. In order to be eligible for the benefits provided in this Section, the unclassified employee/retiree will have (i) a minimum of 20 years of full time equivalent service with the City (one year is equal to 2080 hours); (ii) reached at least 47 years of age; and (iii) shall have actually retired under the Nevada PERS retirement qualifications in existence on the date of the retirement. Provided that, if an Unclassified employee retires prior to age 47 and meets the requirements of (i) and (iii) above, the unclassified employee/retiree will be eligible for the benefits of this section upon attaining the age of 47, and, prior to age 47, shall be entitled to continue as a retiree on the City group insurance plan and shall be entitled to payment for insurance for which the unclassified employee would otherwise qualify, provided that, an unclassified employee retiring before age 47 must continue coverage under the City plan in order to be qualified for the benefits in this section upon attaining age 47.
- b. The City will pay premiums for:
  1. The unclassified employee/retiree from the effective date of Nevada PERS retirement until death. After the retiree reaches the eligibility age for federal benefits under Medicare or age 65, whichever occurs first, the health insurance coverage premium paid by the City on behalf of the retiree will be reduced to either (i) 50% of the "single employee with Medicare premium", or (ii) the payment to which the retiree would otherwise be entitled under the then existing City policy or regulation providing for insurance payments for retired City employees, were the retiree eligible for insurance contribution under the policy or regulation. The retiree shall, in the retiree's sole discretion, elect between (i) and (ii), at the time of Medicare eligibility. Under both (i) and (ii) such coverage under the City's group insurance plan is secondary to Medicare coverage. Provided that, if Medicare age has been increased beyond age 65 by an act of Congress, the 50% payment under (i) shall apply to the "Employee without Medicare" premium. In the event the City eliminates the policy or regulation for subsidizing payment of retiree health insurance, any retiree who elected (ii) above shall automatically revert to receiving the benefits specified in (i) above. In order to receive payment under either (i) or (ii), the retiree must comply with any requirements pertaining to Medicare, which are imposed by the City's insurance carrier, as a precondition to being eligible to qualify as a retiree covered by the insurance plan, as modified from time-to-time, or required by law.



2. The spouse of the unclassified employee/retiree (current at time of the employee's separation from the City) until death or divorce. After the spouse reaches the eligibility age for federal benefits under Medicare, or age 65, whichever occurs first, the health insurance coverage premium paid by the City on behalf of the spouse will be reduced to 25% of the "single dependent with Medicare" premium. After reaching the eligibility age for federal benefits under Medicare, such coverage under the City's group insurance plan is secondary to Medicare coverage. In order to receive payment once the spouse has reached the eligibility age for federal benefits under Medicare, the spouse must comply with any requirements pertaining to Medicare, which are imposed by the City's insurance carrier, as a precondition to being eligible to qualify as a spouse covered by the insurance plan, as modified from time-to-time, or required by law. In the event a retiree remarries after separation from the City the spouse will not be included in the health insurance premium subsidy.
  3. Dependents (current at the time of the unclassified employee's separation from the City), as defined by the rules of the city group health insurance plan in effect at the time of separation. After the dependent reaches the eligibility age or is otherwise eligible for federal benefits under Medicare, or age 65, whichever occurs first, the health insurance coverage premium paid by the City on behalf of the dependent will be reduced by 25% of the "single dependent with Medicare premium". After reaching the eligibility age for, or if otherwise eligible for federal benefits under Medicare, such coverage under the City's group insurance plan is secondary to Medicare coverage. In order to receive payment once the dependent has reached the eligibility age for or is otherwise eligible for federal benefits under Medicare, the dependent must comply with any requirements pertaining to Medicare, which are imposed by the City's insurance carrier, as a precondition to being eligible to qualify as a dependent covered by the insurance plan, as modified from time-to-time, or required by law.
- c. In the event of death of the unclassified employee/retiree, the spouse will continue to receive the subsidy benefit until death or remarriage subject to requirements above. Dependents, as defined above, will continue to receive benefits in the event of the death of the employee/retiree, as long as they meet the definition of dependents in the City group health insurance plan in effect at the time of retirement.
  - d. In the event of a catastrophic injury or medical illness which forces an unclassified employee who has not reached 20 years of service and age 47 to retire from service of the City or as a Nevada PERS disability retirement, this benefit will be prorated for the employee at 5% per year of service after the employee has worked for Carson City for 10 years, up to a maximum of 90% and subject to the provisions above concerning the unclassified employee reaching the eligibility age for or being otherwise eligible for federal benefits under Medicare, or age 65, whichever occurs first. Ten years starts at 50%. The benefit under this section does not apply to spouse or dependents and does not trigger any spousal or dependent benefits Section D.
  - e. If the benefits provided to retirees, their spouse and dependents under Section D are modified (reduced or eliminated) in the future, such modification shall not apply to

retirees, their spouses and dependents then receiving the benefits, and the retiree, their spouse or dependent shall continue to receive the benefit on the basis specified in this Resolution.

- f. Section D is in exchange for a permanent 1.0% reduction in the unclassified employee's biweekly base salary, effective on and after July 1, 2013. Should the Board of Supervisors eliminate this benefit, the 1.0% reduction in the unclassified employee's biweekly base salary shall be restored on and after the effective date of this benefit.

**E. GROUP LIFE INSURANCE**

All unclassified employees shall receive \$35,000 life insurance benefit. The cost of this coverage is included in the group medical insurance plan which is fully paid by the City.

**F. SICK LEAVE**

All unclassified employees shall accrue ten (10) hours of sick leave each month, with unlimited accrual. Leave may be taken as it is accrued.

Unclassified employees, upon separation, having a minimum of 400 hours of earned sick leave and the below listed years of Carson City service shall be compensated for all hours up to 1080 at the following rates:

Service Years	Maximum %
10 – 14	33 1/3%
15 – 19	50%
20 – 24	75%
25 plus	100%

**G. AMBULANCE**

All unclassified employees and their family members who are eligible to participate in the City's insurance benefit plan are automatically enrolled in the CC-CARE+ Ambulance Membership Program. This benefit provides paramedic ambulance service as often as medically necessary with no deductibles, full coverage and no out-of-pocket expenses. This benefit shall exist only so long as the Fire Department offers the program and program benefits are subject to change. The benefit also extends to those employees who retire and remain on the City's insurance.

**H. ANNUAL LEAVE**

All unclassified employees who have worked from 0 to 5 years will accrue ten (10) hours of annual leave per month. Leave may be taken as it is accrued. After five years of continuous employment, an employee shall accrue fourteen (14) hours per month, with a proportional amount for each uncompleted month. A maximum of 300 hours may be carried forward from year to year. Any exception must be pre-approved by the City Manager and in the case of the

City Manager, Chief of Alternative Sentencing, Internal Auditor and the Public Guardian, by the Board of Supervisors.

**I. MANAGEMENT LEAVE**

Unclassified employees shall receive eighty (80) hours of management leave during each fiscal year and a proportional amount for each incomplete year. All unused management leave shall be deleted from the employee's account as of June 30<sup>th</sup> of each year and no compensation shall be paid for that portion of unused management leave.

**J. PAY RANGES**

All Unclassified employees will be paid within established pay ranges. The City's compensation schedule has grades which contain Classified and Unclassified positions. To prevent compaction of the salary ranges and to keep the ranges compatible with the labor market, the bottom and top of each grade will be adjusted upward by a one-time 1.0% cost-of-living increase on January 1, 2022. Beginning on July 1, 2022, and on July 1 each year thereafter, all employees will receive a 2.0% cost-of-living increase and the bottom and the top of each grade will be adjusted upward by 2.0%.

**K. PERFORMANCE PAY**

All unclassified employees who receive an annual performance review of "meets expectations" or better will receive a merit increase for work performance upon the recommendation of their supervisor or the appointing authority of three percent (3%) per year until the employee reaches the top of the pay range for the position.

**L. TEMPORARY DUTY PAY**

When a qualified unclassified employee is assigned to a higher rank for a period of ninety (90) days or more, said employee shall receive an additional ten (10%) percent of his/her base wage for the higher rank being filled.

**M. EXEMPT EMPLOYEES – FLSA GUIDELINE**

Unclassified positions have been reviewed using FLSA guidelines and are exempt from overtime. If an unclassified employee is absent for less than one day with Department Director's approval, the employee shall not be required to use annual, sick or administrative leave for said absence, nor will the employee's salary be adjusted.

**N. GENERAL BENEFITS**

In addition to the benefits listed above, unclassified employees are eligible for the following general benefits:

- a. Workers Compensation
- b. Mileage, City Vehicle or Vehicle allowance, as determined by the City Manager and in the case of the City Manager, Internal Auditor, Chief of Alternative Sentencing or Public Guardian, by the Board of Supervisors.
- c. Direct Deposit of payroll checks
- d. Repair or replacement of personal property, if damaged, lost or destroyed, while performing job related duties.
- e. Military Leave
- f. Family Medical Leave Act (FMLA) leave
- g. Bereavement leave
- h. Employee Assistance Program (EAP)
- i. Voluntary participation in Deferred Compensation Plan (457)
- j. Voluntary participation in Flexible Spending Plan (125)

**O. EFFECTIVE DATE**

The terms of this resolution shall be effective as of January 1, 2022. This resolution supersedes all prior resolutions concerning the compensation and benefits of unclassified employees.

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_ 2021.

VOTE: AYES: Supervisors \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

NAYS: Supervisors \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

ABSENT: Supervisors \_\_\_\_\_  
 \_\_\_\_\_

\_\_\_\_\_  
LORI BAGWELL, Mayor  
Carson City, Nevada

ATTEST:

\_\_\_\_\_  
AUBREY ROWLATT, Clerk/Recorder  
Carson City, Nevada



WRITTEN STATEMENT PURSUANT TO CARSON CITY MUNICIPAL CODE 2.06.010  
REGARDING A PROPOSED RESOLUTION OF THE BOARD OF SUPERVISORS OF  
CARSON CITY SETTING FORTH THE BENEFITS FOR UNCLASSIFIED EMPLOYEES  
EFFECTIVE JANUARY 1, 2022

The proposed Resolution makes the following changes to Resolution 2021-R-19, which was adopted by the Board of Supervisors on June 17, 2021:

- General WHEREAS clauses are amended.
- Section I Unclassified Employees: clarifies that the resolution applies to all unclassified City employees, meaning all employees who hold positions that are exempt from overtime under the Fair Labor Standards Act.
- Section II(B) Retirement: the word "Chapter" was added after NRS and before 286.
- Section II(J) Pay Ranges: gives employees covered under the resolution a one-time 1.0% cost-of-living increase on January 1, 2022 and a 2.0% cost-of-living increase on July 1, 2022 and each July 1<sup>st</sup> thereafter with the bottom and top of the range adjusted upward.
- Section II(K) Performance Pay: eliminates the merit increases of 2% "meets expectations", 3.5% "above expectations" and 5% "outstanding" and implements a 3% merit increase for all performance reviews that are "meets expectations" or above and 0% for a performance review that is "below expectations".
- Section II(O) Effective Date: makes the effective date of the resolution January 1, 2022.

**RESOLUTION NO. 2021-R-**

**RESOLUTION OF THE BOARD OF SUPERVISORS OF CARSON CITY  
SETTING FORTH THE BENEFITS FOR UNCLASSIFIED EMPLOYEES  
EFFECTIVE ~~JANUARY~~**JULY 1, 2021**~~2022~~**

**WHEREAS, Section 2.06.010 of the Carson City Municipal Code (“CCMC”) provides that the Carson City Board of Supervisors may formulate and revise policies affecting the compensation and benefits of unclassified employees, and may by resolution fix the salaries, other compensation and benefits of all appointive county officers and employees; and**

**WHEREAS, on ~~June 2, 2016~~ **June 17, 2021**, the Carson City Board of Supervisors adopted Resolution No. ~~2016-R-7~~ **2021-R-19**, the most recent adopted resolution concerning the compensation and benefits of unclassified employees, which was effective on July 1, ~~2016~~**2021**;**

**NOW, THEREFORE, the Carson City Board of Supervisors resolves that:**

**SECTION I. UNCLASSIFIED EMPLOYEES**

Unclassified employees are those employees of the City, who are full-time Fair Labor Standards Act (FLSA) exempt employees- not hourly, temporary, or not otherwise represented by a bargaining unit. ~~Unclassified employees for the purpose of this resolution are those employees that are appointed by the City Manager under authority of the Board of Supervisors and the employees exempted under the provision of Section 2.330(4) in the Carson City Charter. The City Manager, Chief of Alternative Sentencing, Internal Auditor and the Public Guardian are unclassified employees appointed directly by the Board of Supervisors.~~ All unclassified employees are “At Will” and as such, may be terminated at any time for any reason, or no reason. This resolution does not serve as a contract of employment with Carson City.

**SECTION II. MANAGEMENT BENEFITS PLAN**

**A. HOLIDAYS**

The following days shall be observed as legal holidays by all employees:

New Year’s Day (January 1)

Presidents Day (third Monday in February)

Martin Luther King Day (third Monday in January)

Memorial Day (last Monday in May)

Independence Day (July 4)

Labor Day (first Monday in September)

- Nevada Day (last Friday in October)
- Veteran's Day (November 11)
- Thanksgiving Day (fourth Thursday in November)
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Any other day that the Government of the United States, State of Nevada, or Carson City may declare a legal holiday.

When a designated holiday falls on a Saturday, the Friday before will be observed as the holiday and when the designated holiday falls on a Sunday, the Monday after will be observed as the holiday.

**B. RETIREMENT**

All unclassified employees shall receive full employer paid retirement while participating in the State of Nevada Public Employees' Retirement System (PERS). The City shall adjust the unclassified employees' salaries in accordance with NRS [Chapter 286](#). Carson City will comply with all policies of the Nevada Public Employees' Retirement System (PERS).

Effective July 1, 2014, if PERS or the Nevada State Legislature takes any single action to increase the total contribution rate for the Regular Employee's Retirement Fund or the Police/Fire Employee's Retirement Fund in an amount of 1.5% or less, Carson City will pay one half of the increase up to .75%, and the Employee's salary will be reduced by one half of the increase up to .75%, however, Carson City will increase the Employee's salary on the effective date of the reduction in salary in an amount equal to the reduction made to the Employee's salary.

Effective July 1, 2014, if PERS or the Nevada State Legislature takes any single action to increase the total contribution rate for the Regular Employee's Retirement Fund or the Police/Fire Employee's Retirement Fund in an amount that exceeds 1.5%, Carson City will pay one-half of the increase and the Employee's salary will be reduced by one-half of the increase, however, Carson City will increase the Employee's salary .75% on the effective date of the reduction. (Any amount over 1.5% will be split equally between Carson City and the employee.)

**C. MEDICAL INSURANCE**

The City shall pay 100% of the employee cost and 50% of the dependent cost for the least expensive group medical insurance plan.

**D. HEALTH INSURANCE UPON RETIREMENT**

**I. RETIREES WITH 15-19 YEARS OF SERVICE**

The unclassified employee shall have the option of converting the health insurance coverage at the time of his separation from employment by Employer by commencing to pay 100% of the

total premium. The City must pay 75% of retiree group health, dental, vision and life insurance coverage premiums plus 25% of the spouse's and eligible dependent's premium for health, dental and vision except as provided below. The City agrees to cover eligible retirees and dependents, as the term "dependents" is defined in the City's group health insurance plan in existence under the City group health insurance plan offered to active employees, as modified from time-to-time.

- a. In order to be eligible for the benefits provided in this Section, the unclassified employee/retiree must have (i) a minimum of 15 years of full-time equivalent service with the City (one year is equal to 2080 hours); (ii) reached at least 47 years of age; and (iii) shall have actually retired under the Nevada PERS retirement qualifications in existence on the date of the retirement. Provided that, if an unclassified employee retires prior to age 47 and meets the requirements of (i) and (iii) above, the unclassified employee/retiree will be eligible for the benefits of this section upon attaining the age of 47, and, prior to age 47, shall be entitled to continue as a retiree on the City group insurance plan and shall be entitled to payment for insurance for which the unclassified employee would otherwise qualify, provided that, an unclassified Employee retiring before age 47 must continue coverage under the City plan in order to be qualified for the benefits in this section upon attaining age 47.
- b. The City will pay premiums for:
  1. The unclassified employee/retiree from the effective date of Nevada PERS retirement until death. After the retiree reaches the eligibility age for federal benefits under Medicare or age 65, whichever occurs first, the health insurance coverage premium paid by the City on behalf of the retiree will be reduced to either (i) 50% of the "single employee with Medicare premium", or (ii) the payment to which the retiree would otherwise be entitled under the then existing City policy or regulation providing for insurance payments for retired City employees, were the retiree eligible for insurance contribution under the policy or regulation. The retiree shall, in the retiree's sole discretion, elect between (i) and (ii), at the time of Medicare eligibility. Under both (i) and (ii) such coverage under the City's group insurance plan is secondary to Medicare coverage. Provided that, if Medicare age has been increased beyond age 65 by an act of Congress, the 50% payment under (i) shall apply to the "Employee without Medicare" premium. In the event the city eliminates the policy or regulation for subsidizing payment of retiree health insurance, any retiree who elected (ii) above shall automatically revert to receiving the benefits specified in (i) above. In order to receive payment under either (i) or (ii), the retiree must comply with any requirements pertaining to Medicare, which are imposed by the City's insurance carrier, as a precondition to being eligible to qualify as a retiree covered by the insurance plan, as modified from time-to-time, or required by law.
  2. The spouse of the unclassified employee/retiree (current at time of the employee's separation from the City) until death or divorce. After the spouse reaches the eligibility age for federal benefits under Medicare, or age 65, whichever occurs first, the health insurance coverage premium paid by the City on behalf of the spouse will be 25% of the "single



dependent with Medicare” premium. After reaching the eligibility age for federal benefits under Medicare, such coverage under the City’s group insurance plan is secondary to Medicare coverage. In order to receive payment once the spouse has reached the eligibility age for federal benefits under Medicare, the spouse must comply with any requirements pertaining to Medicare, which are imposed by the City’s insurance carrier, as a precondition to being eligible to qualify as a spouse covered by the insurance plan, as modified from time-to-time, or required by law. In the event a retiree remarries after separation from the City the spouse will not be included in the health insurance premium subsidy.

3. Dependents (current at the time of the unclassified employee’s separation from the City), as defined by the rules of the city group health insurance plan in effect at the time of separation. After the dependent reaches the eligibility age for or is otherwise eligible for federal benefits under Medicare, or age 65, whichever occurs first, the health insurance coverage premium paid by the City on behalf of the dependent will be 25% of the “single dependent with Medicare premium”. After reaching the eligibility age for, or if otherwise eligible for federal benefits under Medicare, such coverage under the City’s group insurance plan is secondary to Medicare coverage. In order to receive payment once the dependent has reached the eligibility age for or is otherwise eligible for federal benefits under Medicare, the dependent must comply with any requirements pertaining to Medicare, which are imposed by the City’s insurance carrier, as a precondition to being eligible to qualify as a dependent covered by the insurance plan, as modified from time-to-time, or required by law.
- c. In the event of death of the unclassified employee/retiree, the spouse will continue to receive the subsidy benefit until death or remarriage subject to requirements above. Dependents, as defined above, will continue to receive benefits in the event of the death of the employee/retiree, as long as they meet the definition of dependents in the City group health insurance plan in effect at the time of retirement.
- d. In the event of a catastrophic injury or medical illness which forces an unclassified employee who has not reached 20 years of service and age 47 to retire from service of the city or as a Nevada PERS disability retirement, this benefit will be prorated for the employee at 5% per year of service after the employee has worked for Carson City for 10 years, up to a maximum of 90% and subject to the provisions above concerning the unclassified employee reaching the eligibility age for or being otherwise eligible for federal benefits under Medicare, or age 65, whichever occurs first. Ten years starts at 50%. The benefit under this section does not apply to spouse or dependents and does not trigger any spousal or dependent benefits Section D.
- e. If the benefits provided to retirees, their spouse and dependents under Section D are modified (reduced or eliminated) in the future, such modification shall not apply to retirees, their spouses and dependents then receiving the benefits, and the retiree, their spouse or dependent shall continue to receive the benefit on the basis specified in this Resolution.
- f. Section D is in exchange for a permanent 1.0% reduction in the unclassified employee’s biweekly base salary, effective on and after July 1, 2013. Should the

Board of Supervisors eliminate this benefit, the 1.0% reduction in the unclassified employee's biweekly base salary shall be restored on and after the effective date of this benefit.

## II. RETIREES WITH 20 OR MORE YEARS OF SERVICE

The unclassified employee shall have the option of converting the health insurance coverage at the time of his separation from employment by Employer by commencing to pay 100% of the total premium. The City must pay 90% of retiree group health, dental, vision and life insurance coverage premiums plus 50% of the spouse's and eligible dependent's premium for health, dental and vision except as provided below. The City agrees to cover eligible retirees and dependents, as the term "dependents" is defined in the City's group health insurance plan in existence under the City group health insurance plan offered to active employees, as modified from time-to-time.

- a. In order to be eligible for the benefits provided in this Section, the unclassified employee/retiree will have (i) a minimum of 20 years of full time equivalent service with the City (one year is equal to 2080 hours); (ii) reached at least 47 years of age; and (iii) shall have actually retired under the Nevada PERS retirement qualifications in existence on the date of the retirement. Provided that, if an Unclassified employee retires prior to age 47 and meets the requirements of (i) and (iii) above, the unclassified employee/retiree will be eligible for the benefits of this section upon attaining the age of 47, and, prior to age 47, shall be entitled to continue as a retiree on the City group insurance plan and shall be entitled to payment for insurance for which the unclassified employee would otherwise qualify, provided that, an unclassified employee retiring before age 47 must continue coverage under the City plan in order to be qualified for the benefits in this section upon attaining age 47.
- b. The City will pay premiums for:
  1. The unclassified employee/retiree from the effective date of Nevada PERS retirement until death. After the retiree reaches the eligibility age for federal benefits under Medicare or age 65, whichever occurs first, the health insurance coverage premium paid by the City on behalf of the retiree will be reduced to either (i) 50% of the "single employee with Medicare premium", or (ii) the payment to which the retiree would otherwise be entitled under the then existing City policy or regulation providing for insurance payments for retired City employees, were the retiree eligible for insurance contribution under the policy or regulation. The retiree shall, in the retiree's sole discretion, elect between (i) and (ii), at the time of Medicare eligibility. Under both (i) and (ii) such coverage under the City's group insurance plan is secondary to Medicare coverage. Provided that, if Medicare age has been increased beyond age 65 by an act of Congress, the 50% payment under (i) shall apply to the "Employee without Medicare" premium. In the event the City eliminates the policy or regulation for subsidizing payment of retiree health insurance, any retiree who elected (ii) above shall automatically revert to receiving the benefits specified in (i) above. In order to receive payment under either (i) or (ii), the retiree must comply with any requirements pertaining to Medicare,

which are imposed by the City's insurance carrier, as a precondition to being eligible to qualify as a retiree covered by the insurance plan, as modified from time-to-time, or required by law.

2. The spouse of the unclassified employee/retiree (current at time of the employee's separation from the City) until death or divorce. After the spouse reaches the eligibility age for federal benefits under Medicare, or age 65, whichever occurs first, the health insurance coverage premium paid by the City on behalf of the spouse will be reduced to 25% of the "single dependent with Medicare" premium. After reaching the eligibility age for federal benefits under Medicare, such coverage under the City's group insurance plan is secondary to Medicare coverage. In order to receive payment once the spouse has reached the eligibility age for federal benefits under Medicare, the spouse must comply with any requirements pertaining to Medicare, which are imposed by the City's insurance carrier, as a precondition to being eligible to qualify as a spouse covered by the insurance plan, as modified from time-to-time, or required by law. In the event a retiree remarries after separation from the City the spouse will not be included in the health insurance premium subsidy.
  3. Dependents (current at the time of the unclassified employee's separation from the City), as defined by the rules of the city group health insurance plan in effect at the time of separation. After the dependent reaches the eligibility age or is otherwise eligible for federal benefits under Medicare, or age 65, whichever occurs first, the health insurance coverage premium paid by the City on behalf of the dependent will be reduced by 25% of the "single dependent with Medicare premium". After reaching the eligibility age for, or if otherwise eligible for federal benefits under Medicare, such coverage under the City's group insurance plan is secondary to Medicare coverage. In order to receive payment once the dependent has reached the eligibility age for or is otherwise eligible for federal benefits under Medicare, the dependent must comply with any requirements pertaining to Medicare, which are imposed by the City's insurance carrier, as a precondition to being eligible to qualify as a dependent covered by the insurance plan, as modified from time-to-time, or required by law.
- c. In the event of death of the unclassified employee/retiree, the spouse will continue to receive the subsidy benefit until death or remarriage subject to requirements above. Dependents, as defined above, will continue to receive benefits in the event of the death of the employee/retiree, as long as they meet the definition of dependents in the City group health insurance plan in effect at the time of retirement.
  - d. In the event of a catastrophic injury or medical illness which forces an unclassified employee who has not reached 20 years of service and age 47 to retire from service of the City or as a Nevada PERS disability retirement, this benefit will be prorated for the employee at 5% per year of service after the employee has worked for Carson City for 10 years, up to a maximum of 90% and subject to the provisions above concerning the unclassified employee reaching the eligibility age for or being otherwise eligible for federal benefits under Medicare, or age 65, whichever occurs

first. Ten years starts at 50%. The benefit under this section does not apply to spouse or dependents and does not trigger any spousal or dependent benefits Section D.

- e. If the benefits provided to retirees, their spouse and dependents under Section D are modified (reduced or eliminated) in the future, such modification shall not apply to retirees, their spouses and dependents then receiving the benefits, and the retiree, their spouse or dependent shall continue to receive the benefit on the basis specified in this Resolution.
- f. Section D is in exchange for a permanent 1.0% reduction in the unclassified employee's biweekly base salary, effective on and after July 1, 2013. Should the Board of Supervisors eliminate this benefit, the 1.0% reduction in the unclassified employee's biweekly base salary shall be restored on and after the effective date of this benefit.

**E. GROUP LIFE INSURANCE**

All unclassified employees shall receive \$35,000 life insurance benefit. The cost of this coverage is included in the group medical insurance plan which is fully paid by the City.

**F. SICK LEAVE**

All unclassified employees shall accrue ten (10) hours of sick leave each month, with unlimited accrual. Leave may be taken as it is accrued.

Unclassified employees, upon separation, having a minimum of 400 hours of earned sick leave and the below listed years of Carson City service shall be compensated for all hours up to 1080 at the following rates:

Service Years	Maximum %
10 – 14	33 1/3%
15 – 19	50%
20 – 24	75%
25 plus	100%

**G. AMBULANCE**

All unclassified employees and their family members who are eligible to participate in the City's insurance benefit plan are automatically enrolled in the CC-CARE+ Ambulance Membership Program. This benefit provides paramedic ambulance service as often as medically necessary with no deductibles, full coverage and no out-of-pocket expenses. This benefit shall exist only so long as the Fire Department offers the program and program benefits are subject to change. The benefit also extends to those employees who retire and remain on the City's insurance.

**H. ANNUAL LEAVE**

All unclassified employees who have worked from 0 to 5 years will accrue ten (10) hours of annual leave per month. Leave may be taken as it is accrued. After five years of continuous

employment, an employee shall accrue fourteen (14) hours per month, with a proportional amount for each uncompleted month. A maximum of 300 hours may be carried forward from year to year. Any exception must be pre-approved by the City Manager and in the case of the City Manager, Chief of Alternative Sentencing, Internal Auditor and the Public Guardian, by the Board of Supervisors.

#### **I. MANAGEMENT LEAVE**

Unclassified employees shall receive eighty (80) hours of management leave during each fiscal year and a proportional amount for each incomplete year. All unused management leave shall be deleted from the employee's account as of June 30<sup>th</sup> of each year and no compensation shall be paid for that portion of unused management leave.

#### **J. PAY RANGES**

All Unclassified employees will be paid within established pay ranges. The City's compensation schedule has grades which contain Classified and Unclassified positions. To prevent compaction of the salary ranges and to keep the ranges compatible with the labor market, the bottom and top of each grade will be adjusted upward by a one-time 1.0% cost-of-living increase on January 1, 2022. 1.75% on July 1, 2021. Beginning on July 1, 2022, and on July 1 each successive July 1<sup>st</sup> year thereafter, all employees will receive a 2.0% cost-of-living increase and the bottom and the top of each grade will be adjusted upward by 2.0% .

#### **K. PERFORMANCE PAY**

All unclassified employees whomay receive an annual performance review of "meets expectations" or better will receive a merit increase for work performance upon the recommendation of their supervisor or the appointing authority at a maximum of threefive percent (35%) per year until the employee reaches the top of the pay range for the position. There will be a two percent (2%) pay increase in recognition of an overall "meets expectations" rating; a three and one-half percent (3 1/2%) increase in recognition of an overall "above expectations" rating; a five percent (5%) increase in recognition of an overall "outstanding" rating.

#### **L. TEMPORARY DUTY PAY**

When a qualified unclassified employee is assigned to a higher rank for a period of ninety (90) days or more, said employee shall receive an additional ten (10%) percent of his/her base wage for the higher rank being filled.

#### **M. EXEMPT EMPLOYEES – FLSA GUIDELINE**

Unclassified positions have been reviewed using FLSA guidelines and are exempt from overtime. If an unclassified employee is absent for less than one day with Department Director's approval, the employee shall not be required to use annual, sick or administrative leave for said absence, nor will the employee's salary be adjusted.

#### **N. GENERAL BENEFITS**

In addition to the benefits listed above, unclassified employees are eligible for the following general benefits:

- a. Workers Compensation
- b. Mileage, City Vehicle or Vehicle allowance, as determined by the City Manager and in the case of the City Manager, Internal Auditor, Chief of Alternative Sentencing or Public Guardian, by the Board of Supervisors.
- c. Direct Deposit of payroll checks
- d. Repair or replacement of personal property, if damaged, lost or destroyed, while performing job related duties.
- e. Military Leave
- f. Family Medical Leave Act (FMLA) leave
- g. Bereavement leave
- h. Employee Assistance Program (EAP)
- i. Voluntary participation in Deferred Compensation Plan (457)
- j. Voluntary participation in Flexible Spending Plan (125)

**O. EFFECTIVE DATE**

The terms of this resolution shall be effective as of July-January 1, 2021-2022. This resolution supersedes all prior resolutions concerning the compensation and benefits of unclassified employees.

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_ 2021.

VOTE: AYES: Supervisors

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NAYS: Supervisors

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ABSENT: Supervisors

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LORI BAGWELL, Mayor  
Carson City, Nevada

ATTEST:

\_\_\_\_\_  
AUBREY ROWLATT, Clerk/Recorder  
Carson City, Nevada