

Joint Benefits Agreement

Between

City Of Henderson, Nevada

and

International Association of Firefighters Local 1883;

The Henderson Police Officers' Association

and

The Henderson Police Supervisors Association

January 1, 2016 through December 31, 2017



**AGREEMENT
2016-2017**

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PREAMBLE:

This Agreement is entered into by and between the City of Henderson, hereinafter referred to as the City, and the International Association of Firefighters Local 1883, the Henderson Police Officers' Association, and the Henderson Police Supervisors' Association, hereinafter referred to as the Unions (collectively the City and the Unions may be referred to as the parties).

The purpose of this Agreement is to achieve and maintain harmonious relations between the CITY and the Unions; to provide for an equitable and peaceful adjustment of differences that may arise; and to establish appropriate level of employee benefits and sustainable funding to provide such benefits.

ARTICLE 1. RECOGNITION:

The City recognizes the Unions, as the bargaining agents for the classifications listed in their respective individual Agreements for the purpose of collective bargaining as set forth in NRS 288.

ARTICLE 2. EMPLOYEE BENEFIT PLANS

Section 1: Committee Structure

The Unions and their Members will participate in the Benefit Plans (“Plans”) provided by the City. These specific Plans will be managed by the Self-Funded Insurance Committee (Committee). The Plans currently managed by the Committee include medical, dental, vision, life insurance, long-term disability and employee assistance benefits. These Plans provide benefits to the City’s employees represented by the Unions and all non-represented full time regular employees.

The Committee will consist of eight (8) voting members, equally divided among the non-represented workforce and the Unions. Alternate members will be identified and participate in meetings and will become voting members in the absence of the standing member(s). The overall structure is:

| Group | Voting Members | Alternate Members |
|--|-----------------------|--------------------------|
| Henderson Police Officers Association | Two | Two |
| Henderson Police Supervisors Association | One | One |
| International Association of Firefighters Local 1883 | One | One |
| Non-represented Employees | Four | Two |

The Committee is governed by the established by-laws that have been enacted by majority vote of the Committee and approved by the City Manager; who is the ultimate authority for these Plans through Henderson Municipal Code 2.10.040. With this Agreement, the City Manager delegates his authority as defined in HMC 2.10.040 to the Committee relative to these benefit Plans, with the exception being the tie-breaking process detailed in the Committee’s by-laws. The Committee will normally meet on a monthly basis to manage the business related to the Benefit Plans.

The Unions agree to participate in the City’s Benefit Plans for the term of this agreement through the Committee structure. During the negotiations of this Agreement, the City and the Unions expressly agree that the time spent by the Union’s employee representatives in performing duties or providing services toward the purpose of this Agreement and in obtaining these joint benefits, and the allowance for the Committee meetings and future negotiations to be conducted during normal work hours without payment for such time or reimbursement by the Unions for such time, have been

negotiated with sufficient concessions pursuant to and in compliance with SB 241; (which amend NRS Chapter 288).

Section 2: Financial Performance of the Internal Services Fund

An internal service fund has been established for the purpose of managing the income and expenses for the Plans identified in Section 1 (“the Fund”). The financial elements of a long-term, viable benefit fund consist of monthly employer contributions, interest earning, monthly employee contributions, plan design, administrative resources, risk mitigation vehicles and financial reserves. Each year, the Plans consultant provides a forecast of expenses for the following calendar year. This forecast includes an analysis of the current expense profile and the projected benefit cost experience and inflation for the following Plan year. This projection leads to a projected surplus or deficit and it is the Committee’s obligation to manage within the established parameters for the Fund, while ensuring the long-term viability of the Fund.

Section 3: Employer Contributions

Effective January 1, 2016 through December 31, 2016 (“Benefit Plan Year 2016”), the City’s contribution to the Fund for all employees covered by these plans (represented and non-represented) shall be \$950.00 per month.

Effective January 1, 2017 through December 31, 2017 (“Benefit Plan Year 2017”), the City’s contribution to the Fund for all employees covered by these plans (represented and non-represented) shall be \$1000.00 per month.

Section 4: Employee Contributions

During Benefit Plan Year 2016, employee monthly contributions to the Fund will be:

| | |
|------------------------------------|-----------|
| <u>Health Plan of Nevada (HPN)</u> | |
| Employee Only | \$ 63.52 |
| Employee plus Spouse | \$ 147.46 |
| Employee plus Child(ren) | \$ 120.80 |
| Employee, Spouse and Child(ren) | \$ 188.74 |
| | |
| <u>City Self-Funded (PPO)</u> | |
| Employee Only | \$ 79.40 |
| Employee plus Spouse | \$ 184.32 |
| Employee plus Child(ren) | \$ 151.02 |
| Employee, Spouse and Child(ren) | \$ 235.94 |

During Benefit Plan Year 2017, employee monthly contributions will be:

Health Plan of Nevada (HPN)

| | |
|---------------------------------|-----------|
| Employee Only | \$ 69.88 |
| Employee plus Spouse | \$ 172.54 |
| Employee plus Child(ren) | \$ 132.90 |
| Employee, Spouse and Child(ren) | \$ 220.82 |

City Self-Funded (PPO)

| | |
|---------------------------------|-----------|
| Employee Only | \$ 87.34 |
| Employee plus Spouse | \$ 215.66 |
| Employee plus Child(ren) | \$ 166.12 |
| Employee, Spouse and Child(ren) | \$ 276.04 |

Section 5: Benefit Plan Design Considerations and Benefit Plan Reserves

The Committee has been provided targets for Plan design modifications that reduce the expense profile for the Fund by approximately six hundred fifty thousand dollars (\$650,000.00) for Plan Year 2016 and three hundred fifty thousand dollars (\$350,000.00) for Plan Year 2017. The Committee has the authority to determine how to best modify the Benefit Plan in order to achieve the necessary cost savings set forth above through plan design changes.

Section 6: The Unions and the City have modified the previous retirement health savings account structure and City contributions to employees covered by this Agreement. A portion of the previous bi-weekly contribution to the retirement health savings account will continue to be directed to a sub-account within the internal service fund identified in Section 2. Employees covered by this Agreement will continue to experience a reduction of their current Vantage Care contribution of twenty dollars (\$20.00) each pay period and those resources will be deposited into the sub-account. The purpose of this sub-account is to provide additional resources to the Committee to influence the monthly premium charged to retirees for their on-going insurance and benefit needs. The City contributes fifteen dollar (\$15.00) per pay period contribution for non-represented, non-public safety PERS employees and twenty dollars (\$20) per pay period for non-represented public safety PERS employees to the sub-account.

As with all active employees, each calendar year the Committee will establish the rates charged to retirees for all levels of coverage for the following calendar year.

- (a) Any residual amount of previous health savings account contributions above those required for the sub-account shall be treated in the

manner set forth in each of the Union's individual collective bargaining agreements.

- (b) The parties acknowledge that should the City cease to provide employee benefits as defined in this Agreement whether through Council action or legislatively imposed; the contributions to the sub-account will end immediately and the amount that would otherwise be contributed to the sub-account will thereafter be added to the current City bi-weekly contribution to the Members' individual health saving accounts. Should the City no longer offer the benefits within the Plan, the City will be liable for the maximum negotiated monthly contribution for each employee covered by this Agreement, for the purposes of funding a group benefit plan. The City is not required to pay individual employees the maximum negotiated monthly contribution as a form of income.

Section 7: In the event of a Member's death, the City will help the beneficiaries complete the necessary life insurance and retirement forms and ensure that they are properly signed in order that the beneficiaries will receive any monies due them.

A deceased employee's final paycheck, including wages earned and all payable leave accruals per this Agreement, will be distributed to the beneficiary(s), designated on the employee's City-provided life insurance form. If no such beneficiary(s) are identified, the proceeds will be disbursed per the provisions of NRS 281.155.

ARTICLE 3. GRIEVANCE PROCEDURE:

A grievance is defined as any dispute which arises regarding an interpretation, application, or alleged violation of any of the provisions of this Agreement.

The purpose of the Grievance Procedure shall be to settle all grievances between the City and the Unions as quickly as possible to ensure efficiency and promote employee morale. Should the Unions (collectively) or the City feel aggrieved, including a claim of unlawful discrimination on any matter related to this Agreement, the complaining party shall seek relief pursuant to this Grievance Procedure.

For the term of this Agreement and the term of subsequent Agreements, the Unions will identify a designated President to act as the lead spokesperson for any disputes covered under this section of this Agreement. Additionally, the Unions will identify a Member of one of their unions to participate in the Step 2 hearing defined below.

Section 1: Any dispute concerning the interpretation or application of an expressed provision of this Agreement shall be subject to this, and exclusive to this grievance procedure.

STEP 1: The designated President from one of the Unions will contact the Human Resources Director and arrange a meeting in an effort to resolve the difference prior to the requirement that the grievance be filed in writing. If after this meeting the issue cannot be resolved, it may be formalized as a written grievance at Step 2. The Human Resources Director or designee may also call for such a meeting and if the issue cannot be resolved, the City may file a written grievance with the designated President.

STEP 2: If Step 1 is unsuccessful, either party may present a signed written grievance to the other for further adjudication. All grievances must be filed in writing, by either party within thirty (30) calendar days of the alleged violation of this Agreement or the first time a covered employee, the Unions, or the City became aware of the alleged violation.

A meeting will be scheduled by the City to review this grievance for possible resolution. The meeting will be held no later than 14 calendar days from the receipt of the written grievance by the party who is not providing the written grievance. The designated Assistant City Manager and the Union's representative identified for this purpose will conduct a review of the grievance. Both parties will have the opportunity to present the facts as they view them and the Assistant City Manager and Union designee will have the opportunity to ask questions of the parties and request additional information from agreed upon sources.

Upon completion of the Step 2 meeting, the Assistant City Manager and Union designee will review the information provided and either reach consensus on a decision at that time, or adjourn the meeting until any additional information requested by either party has been delivered to the other party. If a consensus decision is ultimately achieved, the Union designee and the Assistant City Manager shall provide their decision in writing. Within 10 calendar days of the issuance of their decision, the parties may either accept the decision as binding or request arbitration as defined in Step 3 of this grievance procedure. Failure to request arbitration through a written communication to the other party during the 10 calendar day period after the decision is issued will be viewed as acceptance of the decision and the matter will be considered resolved.

STEP 3: If a mutually agreeable solution does not occur through the first two steps of this procedure, either party may request that the issue be subject to binding arbitration. An arbitrator would be selected from a panel provided by the American Arbitration Association through alternating strikes from the list until a sole arbitrator remains. The arbitration should be scheduled as quickly as possible.

The Arbitrator's decision shall be final and binding, and the non-prevailing party shall pay the fee and related expenses of the arbitrator. If the

Unions are the non-prevailing party, the arbitrator's fee would be split equally among the three unions.

The parties shall bear their own expenses for attorneys, court reporters and other related arbitration expenses.

ARTICLE 4. STRIKES:

Section 1: The Unions agrees that there shall be no strikes.

Section 2: Despite possible disputes, the Unions and their members will continue to furnish efficient fire and police protection to the City.

ARTICLE 5. NON-DISCRIMINATION:

Section 1: The City and the Unions agree to prohibit discrimination based on race, color, religion, sex, pregnancy, age, national origin or ancestry, disability, veteran status, sexual orientation, gender identity or expression, status as HIV positive, genetic information, or any other consideration protected by federal, state or local laws. The City's and the Unions' commitment to equal opportunity employment applies to all persons involved in the City's operations, including employees and agents of the City.

Section 2: It is agreed between the City and the Unions that employees violating this Article will be subject to disciplinary action up to and including termination of employment.

ARTICLE 6. SAVINGS CLAUSE:

Section 1: This Agreement shall be binding upon the successors and assigns of the parties hereto, and no provisions, terms or obligations herein contained shall be affected, modified, altered or changed in any respect whatsoever by the consolidation, merger, annexation, transfer, or assignment of either party hereto, or affected, modified, altered, or changed in any respect whatsoever by any change of any kind of the ownership, or management, of either party hereto, or by any change geographically or otherwise in the location or place of business of either party hereto, insofar as it is possible for the City and the Unions to bind their successors.

ARTICLE 7. AGREEMENT SEVERABLE:

Section 1: This Agreement is declared to be severable and if any paragraph, phrase, or part is declared to be void by a court of competent jurisdiction, or modified or rendered moot by legislative action, it shall not be construed to

void or nullify the entire Agreement, and those parts not declared void shall be binding upon the parties. The parties agree that, if and when any provision of this Agreement is held or determined to be illegal or void, they will then promptly enter into lawful negotiations concerning the substance thereof. This Agreement is the entire Agreement of the parties terminating all prior Agreements.

ARTICLE 8. EFFECTIVE DATE

Section 1: This Agreement shall be effective January 1, 2016, and shall remain in full force and effect up to and including December 31, 2017, and during the period of any statutory impasse procedures.

Section 2: In the event either party desires to open negotiations concerning the terms of a successor agreement, written notice of such desire shall be given on or before June 30, 2017.

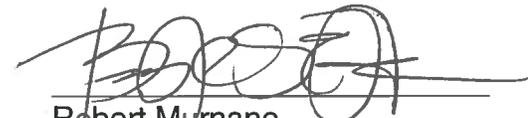
Section 3: In the event the parties cannot negotiate a new Contract, the parties shall comply with statutory impasse procedures.

Section 4: Each party reserves its rights as established by Chapter 288 of the Nevada Revised Statutes, as amended.

Execution of this Agreement by the Unions does not waive any rights explicitly set forth in NRS 288.

DATED this 3rd day of November, 2015

CITY OF HENDERSON, NEVADA

By: 
For Robert Murnane
City Manager

ATTEST:


Sabrina Mercadante, MMC
City Clerk

INTERNATIONAL ASSOCIATION OF
FIREFIGHTERS LOCAL 1883

By: 

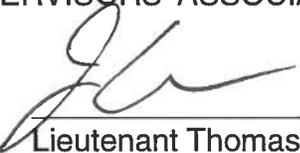
Dan Pentkowski
President

HENDERSON POLICE
OFFICERS' ASSOCIATION

By: 

Kenneth Kerby
President

HENDERSON POLICE
SUPERVISORS' ASSOCIATION

By: 

Lieutenant Thomas M. Chiello
President

REVIEWED AND APPROVED AS TO FORM:

By: 

Josh M. Reid
City Attorney

DEFINITIONS:

This Agreement is made pursuant to and in conjunction with the Local Government Employee-Management Relations Act of the State of Nevada, and all terms used herein which are terms used in the Local Government Employee-Management Relations Act shall have definitions ascribed to them by said Act.

- Arbitrator:** An impartial third party chosen in accordance with the provisions of this contract.
- Assistant City Manager:** The person designated by the City as the co-hearing officer for Step 2 grievance hearings
- Self-Funded Insurance Committee:** A Committee of eight (8) active employees of the City; evenly split between the three (3) public safety unions and the non-represented employees of the City, charged with management of the designated employee benefit plans as defined in the associated by-laws, as approved by the City Manager.
- Retirement Health Savings Account:** Individually controlled accounts subject to employer contributions on a per pay period basis, that are used to pay eligible health care expenses when retired.
- Sub-account:** A separate account within the internal service fund established to provide the employee benefits identified in this Agreement, established for the purpose of employees collectively pooling their resources to facilitate more favorable pricing for these benefits once retired.
- Impact Bargaining:** Collective bargaining requested by the unions when management decisions are made or external legal or legislative actions impact mandatory subjects of bargaining as defined in NRS 288.150.

