



NEVADA IRRIGATION DISTRICT

BENEFIT AND COMPENSATION PLAN

MANAGEMENT

July 1, 2021

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BENEFIT AND COMPENSATION PLAN

PREAMBLE

1. The NEVADA IRRIGATION DISTRICT is a public agency formed and existing under the laws of the State of California (Water Code, Division 11).
2. This document, and the policies referenced herein, constitutes a description of the compensation, as well as other terms and conditions of employment, for manager positions listed below. This document does not create a binding agreement between the District and managers. It is simply a statement of policy subject to change or modification at any time and at the sole discretion of the Board of Directors.

General Manager (except as modified by Contract)
Assistant General Manager
Board Secretary
Finance Manager
Engineering Manager
Water Operations Manager
Maintenance Manager
Hydroelectric Manager
Recreation Manager
Human Resources Manager

ARTICLE 1

DEFINITIONS

1. Unless otherwise specified, the term “manager” shall mean Regular Manager or Probationary Manager, as defined herein.
2. A “Regular Manager” is an employee who has completed their probationary period and fills an established management classification.
3. A “Probationary Manager” is defined as a newly hired or promoted employee in a management classification.

Upon completion of twelve (12) months of continuous service with the District, a probationary manager will be given the status of a regular employee. During this probationary period, the manager may be terminated without cause, and their termination will not be subject to grievance or appeal. During the probationary period, new hires will be eligible for most District benefits, including sick leave, observed holidays and vacation, in accordance with District policies.

4. Managers have positional duties and responsibilities and a level of decision making authority that is exempt from the overtime provisions of the Fair Labor Standards Act (FLSA).
5. Managers are subject to the District policies except as modified herein.

ARTICLE 2

SALARY AND OTHER COMPENSATION

1. Classifications and Wage Rates: Job classifications and Wage Rates are established and/or amended by the District and adopted by the Board of Directors. A list of all classifications and applicable wage rates is maintained on the District's web site (Wage Schedule).
2. Establishment and Revision of Classification: The District will from time to time establish new and/or revise existing classifications and/or wage rates due to changes in operations or requirements as determined by the District.
3. Exempt Status/Administrative Leave: Managers are exempt employees. In lieu of overtime and compensatory time off, managers will earn 80 hours of Administrative Leave per year, by accrual of 3.077 per pay period, and may accumulate up to a maximum of 16 days.

Managers will be allowed to sell back up to 60 hours of unused Administrative Leave, concurrent with either the first pay date in December or the last full pay period in December of each year.

4. Work Out of Classification: In the event a manager is working out of class, the manager will receive an increase to their salary not to exceed 5% and/or at the discretion of the General Manager.
5. Performance Review: Managers will be reviewed in writing annually. Performance reviews can be conducted more frequently at the discretion of the General Manager.
6. Professional Development: Funds shall be set aside for the professional development of the Managers. These funds may be used for the purchase of books, courses, licenses or equipment (clothing, computers, tables, hard drives) that expand the manager's capabilities and lead to the overall development of the managers. Requests for reimbursement shall be approved by General Manager. Funds shall not exceed \$500 dollars per manager in a fiscal year.
7. Cost of Living Adjustment:
 - a. Effective on the first day of the first full pay period after July 1, 2021, the District will apply a two percent (2%) cost of living adjustment to the salary ranges for all classifications in the unit.
 - b. Effective the first full pay period in January 2022, the District will apply a two percent (2%) cost of living adjustment to the salary ranges for all classifications.
 - c. Effective the first full pay period in January 2023, the District will apply a two percent (2%) cost of living adjustment to the salary ranges for all classification.
8. Compensation Survey: The District will retain a third party consultant to perform a compensation survey designed to compare the wage rates and benefits (i.e. total compensation) paid by the District to its employees with wage rates and benefits

paid by reasonably comparable irrigation districts or similar agencies that operate under similar circumstances as the District for the same or comparable work. The final decision as to which agencies will be deemed comparable will be made by the District with input from the consultant. The District will require that the survey be completed no later than six (6) months prior to the expiration of this Compensation Plan. The results of the survey will be communicated. It is understood and agreed that the survey results will be considered by the parties in negotiations for a new Benefits and Compensation Plan, but any changes to wage rates or benefits will be the result of negotiations between the parties, and will not be dictated by the salary survey. The parties will be free to consider all pertinent factors in negotiating compensation and benefits.

The District's Wage Schedule will be revised accordingly for any wage adjustment.

ARTICLE 3

BENEFITS

1. Industrial Accidents: On-the-job accidents are covered under the District's Worker's Compensation insurance policy. It shall be the duty of all employees to make an immediate report of an on-the-job accidental injury to their Supervisor or the Assistant General Manager. Employees who are on a Worker's Compensation leave of absence are required to exhaust all available accrued sick leave. Once sick leave is exhausted, the employee has the option to use any other available leave balances, prior to being placed on leave of absence without pay. While on leave of absence without pay, employees will not accrue sick leave, vacation leave, administrative leave, seniority, or CalPERS service credits.
2. Group Insurance Plan: The carriers, coverage, and terms and conditions of participation under the District's Group Insurance Plan are subject to change in accordance with the applicable provisions of Title I, Division 4, Chapter 10 of the California Government Code (Section 3500 et seq.) (Meyers-Milias-Brown Act).
 - a) The District contracts with CalPERS for health plan coverage for all regular and newly hired employees (eligibility to be defined by the "CalPERS health plan"). Booklets on the insurance plans will be available to all participants.
 - b) Employees may choose any plan offered by CalPERS. Additional premiums will be borne by the employee through payroll deductions and paid to CalPERS by the District each month; and the additional cost for monthly premiums will be deducted evenly from the first and second payroll period of each month. To the extent allowed by law, the District will attempt to deduct the employee's premium contribution from pre-tax dollars.
3. Direct Health Care Premium Contributions for Active Employees:

The District will pay the minimum premium contribution directly to CalPERS, as required by CalPERS regulations for each eligible employee.
4. Health Reimbursement Arrangement for Active Employees:

On January 1, 2009, a Health Reimbursement Arrangement (HRA) was established by the District and includes, but is not limited to, the terms and conditions set forth below:

 - a) Calendar year-end rollovers of individual account balances are allowed; and,
 - b) Individual account "caps" for "employee plus dependent coverage" and "employee only coverage" shall be as follows:

No contribution to an individual account shall be due when the balance in the individual employee account reaches the "cap" of \$8,000.00 for "employee plus dependent coverage" and, \$4,000.00 for "employee only." Once expenditures reduce the account balance below the cap, contributions will resume. Amounts not paid during the period of suspension shall be retained by the District and shall not accrue to the employee.

- c) Eligible participants are regular employees enrolled in a District offered health care plan, eligible dependents, and others as defined by the Nevada Irrigation District Health Reimbursement Arrangement; and,
- d) Eligible health care expenses are defined by Internal Revenue Code Section 213(d); and,
- e) Eligible health care expenses that are common to both an HRA and a Flexible Spending Account (FSA) will be required to be reimbursed from the FSA before expenses are reimbursed from an individual's HRA account; and,
- f) Upon the death of an employee:
 - (i) HRA contributions to the individual's account will cease, and
 - (ii) Any balance in an HRA account at the time of the death of the employee must be used by the employee's eligible dependents within twelve (12) months from the date of the last HRA contribution or it is forfeited.

5. HRA Contribution Amount:

- a. For calendar year 2021, the District will provide employees eligible to participate in District sponsored health insurance programs with the following monthly HRA contributions, based on their plan participation:
 - Employee only \$1,231.56 per month
 - Employee plus 1 dependent - \$1,809.06 per month
 - Employee plus 2 or more dependents: \$1,914.06 per month
- b. Beginning January 1, 2022, the District's monthly contribution on behalf of an eligible employee will be calculated as follows:
 - The amount equal to the monthly contribution in the previous year for the purchase of the "employee only" Anthem Blue Cross Select HMO – Region 1; plus,
 - 75% of the increase between the previous year monthly premium to the current year monthly premium (at the "employee only" Anthem Blue Cross Select HMO – Region 1); plus,
 - \$472.50 for employee only, \$1,050.00 for employee plus one dependent, or \$1,155.00 for employee plus family.
- c. Beginning January 1, 2023, the District's monthly contribution on behalf of an eligible employee will be calculated as follows:
 - The amount equal to the monthly contribution in the previous year for the purchase of the "employee only" Anthem Blue Cross Select HMO –Region 1; plus,
 - 75% of the increase between the previous year monthly premium to the current year monthly premium (at the "employee only" Anthem Blue Cross Select HMO – Region 1); plus,

- \$350.00 for employee only, \$1,050.00 for employee plus one dependent, or \$1,200.00 for employee plus family.
 - c. Eligible employees hired prior to October 27, 2021, waiving District medical coverage will receive a monthly contribution via payroll equivalent to fifty percent (50%) of the employee plus one dependent premium of the Anthem Blue Cross Select HMO- Region 1 plan.
 - d. Eligible employees hired October 27, 2021 or later, waiving District medical coverage will receive a monthly contribution via payroll equivalent to fifty percent (50%) of the employee only premium of the Anthem Blue Cross Select HMO- Region 1 plan.
6. Newly Hired Regular Employees: The District will fund individual newly-hired regular employees' HRA accounts as follows:
- a. Individual accounts will be set up for each "newly-hired regular employee" upon their successful completion of probation.
 - b. Newly hired regular employees will be eligible for an additional one-time lump sum contribution on the first day of the month following the successful completion of their probationary period. Such contribution will be calculated based upon the number of months the employee was eligible to participate in the District's health insurance program during their probationary period as follows:
 - (i) Upon the establishment of each individual account, a one-time District contribution of \$500.00 will be made; PLUS
 - (ii) The number of eligible months preceding the completion of the probationary period less any premiums paid directly by the District to CalPERS on behalf of the employee for dependent care coverage during the employee's probationary period.
 - (iii) In no event will the newly hired regular employee's one-time contribution exceed the applicable HRA cap provided above.
7. Basic Life Insurance: The District's group life insurance plan includes coverage at two times (2X) the employee's current annual base salary for all active employees at no cost to the employee. The District will pay the cost of life insurance coverage for the employee only, under the plans available to all District employees, which may change from time-to-time thereafter.
8. Supplemental Life Insurance: The District agrees to offer an optional supplemental life plan for active employees and dependents, at the employee's expense.
9. Medicare Benefits: The District agrees to pay the employee's share of the Medicare contribution, 1.45% of payroll as required.
10. 457 Deferred Compensation Plan: The District contracts with various plan administrators to provide a 457 Deferred Compensation Plan, which is employee paid.

11. Dental Plan: The District will contribute 100% of premiums for dental insurance coverage for employees and their eligible dependents.
12. Vision Plan: The District will contribute 100% of premiums for vision insurance coverage for employees and their eligible dependents.
13. Disability Insurance: The District will continue to provide long term disability insurance coverage. The District will contribute 100% of premiums for such coverage for employees. The District also agrees to offer a short term disability plan for employees, at a cost to employees of half the premium.
14. Air Ambulance: The District agrees to provide air ambulance coverage. The District will pay 100% of the annual membership cost for employees and families.
15. IRS 125 Flexible Spending Plan: The District provides an IRS 125 Flexible Spending Plan for employees in order to pay for other insurance, childcare, etc. The District offers training related to the flexible spending plan. An employee can contribute up to the maximum amount allowed by law.
16. Employee Assistance Program: The District provides an independently administered Employee Assistance Program.
17. Vacation: Vacation is provided pursuant to District policy. However, the maximum accrued hours for managers will be 420 hours regardless of number of years of service.
18. Sick Leave: Sick Leave is provided pursuant to District policy.
19. Holidays: Holidays and holiday pay are provided pursuant to District policy.
20. Leaves of Absence and Other Leaves: Leaves of Absence and Other Leaves are provided pursuant to District policy.

ARTICLE 4

BENEFITS FOR RETIREES

1. Pension Benefits: The District participates in the California Public Employees' Retirement System (CalPERS) Plan. Pension benefits and plan participation are determined in accordance with applicable law and are generally based on an employee's date of hire and any previous membership in CalPERS. The District contracts with CalPERS to make the following pension plans available to eligible employees:
 - a. Employees Hired before May 10, 2012:
 - (i) 2.5 % @ 55 retirement plan. One-year Final Compensation.
 - (ii) Employees will pay one hundred percent (100%) of the employee contribution, which is 8% of base salary.
 - b. Employees Hired on or after May 10, 2012 through December 31, 2012 and "Classic" CalPERS Members hired on or after January 1, 2013:
 - (i) 2.0 % @ 55 retirement plan, three-year Final Compensation.
 - (ii) Employees will pay one hundred percent (100%) of the employee contribution, which is 7% of base salary.
 - c. Employees Hired on or after January 1, 2013 ("PEPRA" Members):
 - (i) 2.0 % @ 62 retirement plan, three-year Final Compensation.
 - (ii) Employees will pay one hundred percent (100%) of the employee contribution, which is 6.75% of base salary.
2. Retiree Health Benefits: The District contracts with CalPERS for the purpose of providing employees and retirees with access to health insurance benefits. Participation in CalPERS Health insurance programs is determined in accordance with applicable law.

The District provides all retirees who participate in CalPERS health insurance plans and who qualify as District "annuitants" with a minimum contribution towards health insurance benefits offered by CalPERS. This minimum contribution is determined by CalPERS and will be paid by the District directly to CalPERS.

3. Retiree HRA Accounts:
 - a. Conversion Upon Retirement: The HRA Account of any employee who retires from District service will be converted to a retiree HRA account. District retirees will continue to retain the ability to draw on their HRA Account and claim reimbursement for qualifying health expenses for themselves and their eligible dependents. To be considered a retiree, an employee must separate from District service and begin drawing pension benefits from CalPERS within 120 days of their date of separation.
 - b. HRA Contributions: Retirees from District service may be eligible to receive post-employment contributions to their retiree HRA accounts. The amount of

any such contribution will be determined based on the retiree's date of hire, date of retirement and length of service, as follows:

- (i) Employees Hired before May 10, 2012: Employees who were hired before May 10, 2012 and who retire from the District (either a disability retirement or a service retirement) after completing at least ten (10) years of service are eligible to receive a monthly District contribution to their retiree HRA in an amount equal to the cost of the employee only premium for the PERS Platinum Plan Region 1, as determined on the date of the employee's retirement, minus any minimum contribution paid directly to CalPERS, as a monthly contribution to the Retiree's HRA Account.
- (ii) Employees Hired on or after May 10, 2012: Employees who were hired on or after May 10, 2012 and who retire from the District after completing at least ten (10) years of service (either a disability or service retirement) are eligible to receive a monthly District contribution to their HRA in an amount equal to 25% of the cost of the employee only medical premium for the PERS Choice Region 1 rate, as determined on the date of the employee's retirement, minus the minimum contribution paid directly to CalPERS, as a monthly contribution to the retiree's HRA.

Eligible employees shall receive an additional 2.5% of the employee only medical premium for each year of service in excess of ten years, up to a maximum of twenty years, resulting in a maximum formula calculation equal to 50% of the cost of the employee only medical premium for the PERS Choice Region 1 rate, as determined on the date of the employee's retirement, minus the minimum contribution paid directly to CalPERS.

- (iii) Employees Hired on or after January 1, 2022: Employees hired on or after January 1, 2022 are not eligible to receive a post-employment District contribution to a retiree HRA account.
- c. HRA Cap: Individual account caps for a retiree HRA account shall be equal to \$4,000. No contribution to a retiree account shall be due when the balance in the retiree's account reaches the "cap." An employee whose Active HRA Account balance exceeds the Retiree cap on the effective date of their retirement, will still be permitted to draw down on those amounts in excess of the cap. However, once the retiree's balance is at or below the cap, the cap will be enforced.
 - d. Termination of Contributions: District retiree HRA contributions will cease upon the date of death of the retiree. The balance in a retiree HRA account will be available for use by the Retiree's eligible dependents for qualified claims and according plan terms and applicable law. Any HRA account balance remaining 12 months after the retiree's date of death will be forfeited.
 - e. Effect of Medicare: Upon attaining eligibility to participate in Medicare Part B benefits, the formula used to calculate the District's contribution to an eligible retiree's HRA will be adjusted to be based on the premium for participation in

a Medicare supplement plan, minus any minimum contribution paid directly to CalPERS. For employees who retired on or prior to June 30, 2021, the Medicare supplement plan rate used for this calculation will be no greater than the PERS Choice Medicare supplement plan rate that was in effect on the date of the employee's retirement from District service. For employees who retire on or after July 1, 2021, the Medicare supplement plan rate used for this calculation will be no greater than the PERS Platinum Medicare supplement plan rate in effect on the date on which the retired employee becomes eligible for Medicare.

4. Life Insurance: Employees who retire from the District after completing ten (10) years of service are eligible to receive District provided life insurance benefits from their date of retirement. Coverage will be \$50,000 and is subject to the Plan's benefit reduction by age.