



## City Council Regular Meeting AGENDA ITEM

NUMBER: 25

**SUBJECT:**

Memorandum of Understanding with Teamsters Local 14 Amending the City of North Las Vegas and Teamsters Local 14 Non-Supervisor Collective Bargaining Agreement, July 1, 2023 - June 30, 2026 to Modify Language Related to Electing to Cash Out Accrued Holiday Hours. (Citywide) (For Possible Action; Recommendation – Approve)

**REQUESTED BY:**

Wilson Edgell, Director of Human Resources

**WARD:**

(Citywide)

**RECOMMENDATION OR RECOMMEND MOTION:**

Approve the Memorandum of Understanding with Teamsters Local 14 to amend the Non-Supervisor Collective Bargaining Agreement between the City and Teamsters Local 14 in effect through June 30, 2026.

**FISCAL IMPACT:**

None

**ACCOUNT NUMBER:**

All Departments

**STAFF COMMENTS AND BACKGROUND INFORMATION:**

NRS 288.153(1) requires that any modified collective bargaining agreement between a local government employer and an employee organization be approved by the governing body of the local government employer at a public hearing. NRS 288.153(4) requires the chief executive officer of the local government at the hearing to report to the governing body of the local government the fiscal impact of the agreement.

During 2023 contract negotiations, the City and Teamsters Local 14 (“Union”) agreed to language stating that between November 1 and November 7 of each calendar year of the contract, employees would be able to elect to cash out up to 180 accrued holiday hours, to be paid out in the first paycheck in December of the same year. The language was negotiated in good faith, but, as the City was preparing to allow employees to make their elections, it was discovered that the negotiated language resulted in a tax implication called constructive receipt. Based on existing contract language, whether an employee elected to cash out banked holiday hours or not, they would be required to pay the taxes on all the hours accrued, up to 180 hours. This was not the intent of the language. Thus, the City and the Union negotiated new language reflected in this Memorandum of Understanding (“MOU”) to allow for cash out of future accrued holiday hours, therefore avoiding constructive receipt.

The MOU modifies the existing contract language to reflect that no later than December 31 of the calendar year, employees can elect to cash out any holiday hours accrued in the following year, to be paid out in the pay period that includes December 31. The language is also modified to state that any hours over the 180

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hour cap will be automatically cashed out in the pay period that includes July 1.

CIP No.	Related Item:	
LIST CITY COUNCIL GOAL(S): Innovative, Efficient, and Stable Government		
PREPARED BY:	Respectfully Submitted	MEETING DATE:
Wilson Edgell, Director of Human Resources	Micaela R. Moore, City Manager	February 5, 2025