

ORDINANCE NO. _____

1 AN ORDINANCE Amending Chapter 2.78 of the Lincoln Municipal Code relating
 2 to the City’s Personnel System by amending Section 2.78.010 Compensation Plan Established to
 3 exclude employees with a pay range prefixed by M; amending Sections 2.78.020 Annual Leave,
 4 2.78.025 Variable Merit Pay Plan, and 2.78.030 Sick Leave to delete the references to employees
 5 with a pay range prefixed by the letter M; and repealing 2.78 Title Page and Sections 2.78.010,
 6 2.78.020, 2.78.025, and 2.78.030 of the Lincoln Municipal Code as hitherto existing.

7 BE IT ORDAINED by the City Council of the City of Lincoln, Nebraska:

8 Section 1. That 2.78 Title Page of the Lincoln Municipal Code be amended to read
 9 as follows:

10 CHAPTER 2.78

11 MANAGEMENT COMPENSATION PLAN*

12 Sections:

- 13 2.78.010 Management Compensation Plan Established.
- 14 2.78.020 Management Compensation Plan; Annual Leave.
- 15 2.78.025 Compensation Plan; Variable Merit Pay Plan – DSS and M Pay Ranges.
- 16 2.78.030 Management Compensation Plan; Sick Leave.
- 17 2.78.040 Management Compensation Plan; Other Leave.
- 18 2.78.050 Department Head or Administrative Assistant to Elected Official;
- 19 Severance Pay.
- 20 2.78.060 Resignation.
- 21 2.78.070 Health Insurance; Continuation of City Contribution After Retirement.

22 *Editor's Note: Sections 2.78.010 through 2.78.060, codified from prior code Sections 2.58.600,
 23 2.58.610, 2.58.620, 2.58.630, 2.58.640, 2.58.645 and Ordinance Nos. 13295, 15011 and 15488 were
 24 formerly codified in Chapter 2.76, Personnel System as Sections 2.76.580 through 2.76.605 and
 25 were renumbered and amended by Ordinance No. 15988.

1 Section 2. That Section 2.78.010 of the Lincoln Municipal Code be amended to read
2 as follows:

3 **2.78.010 Management Compensation Plan Established.**

4 For the purpose of compensating department heads; and administrative assistants to elected
5 officials ~~and employees with a pay range prefixed by the letter "M"~~ for professional performance
6 in the city service, there is hereby established a management compensation plan to be administered
7 by the Mayor ~~and department heads~~. The Personnel Director shall be responsible for recommending
8 a pay range within which all department heads shall be assigned a rate of pay; and a pay range
9 within which all administrative assistants to elected officials shall be assigned a rate of pay; ~~and a~~
10 ~~pay range for all employees in classifications with pay ranges prefixed by the letter "M". A pay plan~~
11 ~~for employees with a pay range prefixed by the letter "M" shall be adopted in accordance with~~
12 ~~Section 2.76.120 of this code.~~ Such recommendation shall be submitted to the City Council and the
13 pay ranges shall become effective when adopted by the City Council by ordinance.

14 Once adopted, the Mayor shall assign a rate of pay within the established pay plan to each
15 department head; and may adjust the rate of pay for department heads within the established pay
16 range as may be warranted under the circumstances, to adequately reflect appropriate compensation
17 for the quantity and quality of work performed by such department head. The Mayor shall also
18 establish, by executive order, a uniform schedule of fringe benefits to be provided to department
19 heads which benefits may include life insurance, health insurance, disability insurance, pension
20 benefits, and such other and different benefits as the Mayor may deem appropriate.

21 The rate of pay and fringe benefits for an administrative assistant to an elected official shall
22 be assigned by the elected official employing the same.

23 Section 3. That Section 2.76.020 of the Lincoln Municipal Code be amended to read
24 as follows:

25 **2.78.020 Management Compensation Plan; Annual Leave.**

1 ~~(a) Effective on the first day of the second complete pay period in January of each year, each~~
2 ~~department head and each administrative assistant to an elected official shall be entitled to annual~~
3 ~~leave equivalent to 160 hours per year. Department heads and administrative assistants to elected~~
4 ~~officials may carry over unused annual leave to a maximum of forty hours, but any leave, over the~~
5 ~~maximum of forty hours, unused by the last day of the first complete pay period in January of the~~
6 ~~following year shall be forfeited. Any accumulated leave earned by a department head and unused~~
7 ~~as of January 15, 1982, shall be retained by the department head and may be used at any future time,~~
8 ~~and for any remaining upon termination of employment with the city, shall be compensated for such~~
9 ~~unused accumulated vacation leave.~~

10 Any department head or administrative assistant to an elected official entering the
11 management compensation plan at any time after the first day of the second complete pay period in
12 January of any year shall be entitled to and shall receive only a pro-rated portion of the otherwise
13 authorized management leave for that year.

14 ~~—(b) Effective on the first day of the second complete pay period in January of each year, each~~
15 ~~employee with a pay range prefixed by the letter "M" shall be entitled to annual leave equivalent to~~
16 ~~160 hours per year, or 240 hours for those employees who work a fifty-six hour work week.~~

17 ~~—After twenty years of service -- annual leave equivalent of 200 hours per year, or 300 hours~~
18 ~~for those employees who work a fifty-six hour work week.~~

19 ~~—Employees with a pay range prefixed by the letter "M" may carry over unused annual leave~~
20 ~~to a maximum of sixty hours, or eighty hours for employees with a fifty-six hour work week, but any~~
21 ~~leave, over the maximum of sixty/eighty hours, unused by the last day of the first complete pay~~
22 ~~period in January of the following year shall be forfeited. Any accumulated leave earned by an~~
23 ~~employee with a pay range prefixed by the letter "M" and unused as of January 12, 2005, shall be~~
24 ~~retained by the employee and may be used at any future time, and for any remaining upon~~

1 ~~termination of employment with the city, shall be compensated for such unused accumulated~~
2 ~~vacation leave.~~

3 ~~Any employee with a pay range prefixed by the letter "M" and hired at any time after the first~~
4 ~~day of the second complete pay period in January of any year shall be entitled to and shall receive~~
5 ~~only a pro-rated portion of the otherwise authorized annual leave for that year.~~

6 ~~Any employee with a pay range prefixed by the letter "M" may use vacation during their~~
7 ~~probationary period upon approval by their supervisor.~~

8 ~~(c) Vacation payout. Any employee who separates from the city service shall be~~
9 ~~compensated for vacation leave accrued and accumulated to the date of separation. The vacation~~
10 ~~payout shall occur with the paycheck immediately following separation. In the event the separation~~
11 ~~is the result of retirement, as defined by the applicable retirement plan, an employee may elect to~~
12 ~~utilize vacation until all accrued vacation has been exhausted.~~

13 Section 4. That Section 2.78.025 of the Lincoln Municipal Code be amended to read
14 as follows:

15 **2.78.025 Compensation Plan; Variable Merit Pay Plan - DSS and M Pay Ranges.**

16 Notwithstanding any other section of the Lincoln Municipal Code to the contrary, the
17 compensation plan for employees in classifications with pay ranges prefixed by the letters "DSS"
18 and "M" shall provide for the awarding of merit increases within established pay ranges based upon
19 the employee's level of performance and shall be entitled "the variable merit pay plan." ~~The specific~~
20 ~~method of implementing and administering this~~ Such plan shall be set out in an executive order of
21 the Mayor which shall, among other things, provide for:

22 ~~(a) Variable~~ V variable merit increases of between zero and five percent. Merit increases shall
23 be effective beginning the first full pay period following the established eligibility date;

24 ~~(b) A four and one-half percent increase upon successful completion of the original~~
25 ~~probationary period with the exception of pay ranges prefixed by the letters "DSS";~~

1 ~~—————(c)———— Temporary exceptional service awards not to exceed two percent of the employee's~~
2 ~~current annualized salary to be paid in two, four, or six pay periods with the exception of pay ranges~~
3 ~~prefixed by the letters "DSS";~~

4 ~~————— Such increases shall be paid only on recommendation of the department head~~
5 ~~supported by a convincing showing in writing of exceptional service or unusual circumstances as~~
6 ~~related to specific criteria to be recommended by each department and approved by the Personnel~~
7 ~~Director;~~

8 ~~————— The Personnel Director shall annually send a written report to the Mayor listing~~
9 ~~employees approved for exceptional service pay increases.~~

10 ~~—————(d)———— The Personnel Director, with the approval of the Mayor, may grant permanent salary~~
11 ~~increases within the employee's pay range that are consistent with the spirit and purpose of the merit~~
12 ~~system provisions of the City Charter if a department head presents written evidence of unusual~~
13 ~~circumstances. The effective date of any increase granted in accordance with this subparagraph (d)~~
14 ~~shall be used to establish a new eligibility date, which shall be one year from the effective date of~~
15 ~~such increase. This subsection applies only to pay ranges prefixed by the letter "M".~~

16 ~~—————(e)———— The eligibility date for evaluating performance of employees will be determined by~~
17 ~~completion of the original probationary period, and the effective date of promotion, demotion,~~
18 ~~reallocation, or layoff, or in the case of a department head or an administrative assistant to an elected~~
19 ~~official, the date of hire;~~

20 ~~————— Employees in pay ranges prefixed by the letter "M" may have their eligibility dates~~
21 ~~adjusted when necessary or appropriate for proper operation of any goal-oriented employee~~
22 ~~evaluation program implemented by any department. The department head shall forward a written~~
23 ~~request for such an adjustment to the Personnel Director who may, at his discretion, approve the~~
24 ~~request. The eligibility date of an employee shall not be adjusted under this subsection more often~~
25 ~~than once in any twelve-month period;~~

1 ~~—— (f) — Establishment of a committee to review and approve all merit increases in excess of~~
2 ~~four percent.~~

3 Section 5. That Section 2.78.030 of the Lincoln Municipal Code be amended to read
4 as follows:

5 **2.78.030 Management Compensation Plan; Sick Leave.**

6 a) Sick leave shall be paid when a department head or an administrative assistant to an
7 elected official is unable to perform work duties due to actual personal illness, bodily injury,
8 pregnancy, or disease, exposure to contagious disease under circumstances in which the health of
9 other employees or the public would be endangered by attendance on duty or to keep a medical or
10 dental appointment, and for no other reason. When a department head or an administrative assistant
11 to an elected official finds it necessary to be absent for any of the reasons specified herein, the
12 department head or administrative assistant to an elected official shall cause the fact to be reported
13 to the appropriate supervising elected official. Department heads or administrative assistants to
14 elected officials shall be entitled to no payment for accumulated or unused sick leave upon
15 retirement or death, except sick leave accrued by the department head or administrative assistant to
16 an elected official prior to participation in the management compensation plan, shall be credited to
17 such department head or administrative assistant to an elected official as unused sick leave, and paid
18 in accordance with the provisions of Section 2.76.380(d) of this code.

19 ~~—— b) Sick leave for employees with a pay range prefixed by the letter “M” shall be paid in~~
20 ~~accordance with the provisions of Section 2.76.380 of this code.~~

21 Section 6. That the 2.78 Title Page and Sections 2.78.010, 2.78.020, 2.78.025 and
22 2.78.030 of the Lincoln Municipal Code as hitherto existing be and the same are hereby repealed.

23 Section 7. That this ordinance shall take effect and be in force from and after its
24 passage and publication in one issue of a daily or weekly newspaper of general circulation in the
25 City, according to law.

Introduced by:

Approved as to Form & Legality:

City Attorney

Approved this ____ day of _____, 2009:

Mayor