

ORDINANCE NO. _____

1 AN ORDINANCE amending Chapter 2.78 of the Lincoln Municipal Code relating
2 to the Management Compensation Plan by amending Section 2.78.010 to remove employees with
3 a pay range prefixed by the letter “M” from the Management Compensation Plan; by amending
4 Section 2.78.020 to remove annual leave provisions for employees with a pay range prefixed by the
5 letter “M”; amending Section 2.78.025 to remove provisions for merit increases for employees with
6 a pay range prefixed by the letter “M”; repealing Section 2.78.027, to remove longevity pay
7 provisions for employees with a pay range prefixed by the letter “M”; amending Section 2.78.030
8 to remove sick leave provisions for employees with a pay range prefixed by the letter “M”; and
9 repealing Sections 2.78.010, 2.78.020, 2.78.025, and 2.78.030 of the Lincoln Municipal Code as
10 hitherto existing.

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

13 **2.78.010 Management Compensation Plan Established.**

14 For the purpose of compensating department heads; and administrative assistants to elected
15 officials; ~~and employees with a pay range prefixed by the letter “M”~~ for professional performance
16 in the city service, there is hereby established a management compensation plan to be administered
17 by the Mayor and department heads. The Personnel Director shall be responsible for recommending
18 a pay range within which all department heads shall be assigned a rate of pay; and a pay range
19 within which all administrative assistants to elected officials shall be assigned a rate of pay; ~~and a~~
20 ~~pay range for all employees in classifications with pay ranges prefixed by the letter “M”~~. A pay plan
21 ~~for employees with a pay range prefixed by the letter “M” shall be adopted in accordance with~~

1 ~~Section 2.76.120 of this code.~~ Such recommendation shall be submitted to the City Council and the
2 pay ranges shall become effective when adopted by the City Council by ordinance.

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

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

12 Section 2. That Section 2.78.020 of the Lincoln Municipal Code be amended to read
13 as follows:

14 **2.78.020 Management Compensation Plan; Annual Leave.**

15 (a) Effective with the beginning of the first pay period after January 1 of each year, each
16 department head and each administrative assistant to an elected official shall be entitled to annual
17 leave equivalent to 160 hours per year. Department heads and administrative assistants to elected
18 officials may carry over unused annual leave to a maximum of forty hours, but any leave, over the
19 maximum of forty hours, unused by the last day of the first complete pay period in January of the
20 following year shall be forfeited. Any accumulated leave earned by a department head and unused
21 as of January 15, 1982, shall be retained by the department head and may be used at any future time,
22 and for any remaining upon termination of employment with the city, shall be compensated for such
23 unused accumulated vacation leave.

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

5 ~~(b) Effective with the beginning of the first pay period after January 1 of each year, each~~
6 ~~employee with a pay range prefixed by the letter "M" shall be entitled to annual leave equivalent~~
7 ~~to 160 hours per year, or 240 hours for those employees who work a fifty-six hour work week.~~

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

10 ~~Employees with a pay range prefixed by the letter "M" may carry over unused annual~~
11 ~~leave to a maximum of 80 hours, or 100 hours for employees with a fifty-six hour work week. Any~~
12 ~~accumulated leave earned by an employee with a pay range prefixed by the letter "M" and unused~~
13 ~~as of January 12, 2005, shall be retained by the employee and may be used at any future time, and~~
14 ~~for any remaining upon termination of employment with the city, shall be compensated for such~~
15 ~~unused accumulated vacation leave.~~

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

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

21 ~~(c) Vacation payout. Any employee who separates from the city service shall be~~
22 ~~compensated for vacation leave accrued and accumulated to the date of separation. The vacation~~
23 ~~payout shall occur with the paycheck immediately following separation. In the event the separation~~

1 is the result of retirement, as defined by the applicable retirement plan, an employee may elect to
2 utilize vacation until all accrued vacation has been exhausted

3 Section 3. That Section 2.78.025 of the Lincoln Municipal Code be amended to read
4 as follows:

5 **2.78.025 Compensation Plan; Variable Merit Pay Plan - DSS and M Pay Ranges.**

6 Notwithstanding any other section of the Lincoln Municipal Code to the contrary, the
7 compensation plan for employees in classifications with pay ranges prefixed by the letters “DSS”
8 and “M” shall provide for the awarding of merit increases within established pay ranges based upon
9 the employee’s level of performance and shall be entitled “the variable merit pay plan.” The specific
10 method of implementing and administering this plan shall be set out in an executive order of the
11 Mayor which shall, among other things, provide for:

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

14 — (b) — ~~A four and one-half percent increase upon successful completion of the original~~
15 ~~probationary period with the exception of pay ranges prefixed by the letters “DSS”;~~

16 — (c) — ~~Temporary exceptional service awards not to exceed two percent of the employee’s~~
17 ~~current annualized salary to be paid in two, four, or six pay periods with the exception of pay ranges~~
18 ~~prefixed by the letters “DSS”;~~

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

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

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

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

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

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

19 Section 4. That Section 2.78.027 of the Lincoln Municipal Code be and the same is
20 hereby repealed.

21 **~~2.78.027 — Management Compensation Plan; Longevity Pay.~~**

22 ~~—— Employees with a pay range prefixed by the letter “M” shall annually receive longevity pay~~
23 ~~based upon the total length of continuous service with the city. Such pay shall be effective~~
24 ~~beginning with the first full pay period following completion of the specified years of service.~~
25 ~~Payment shall be made on a prorated basis on each regular pay day. Employees with a pay range~~
26 ~~prefixed by “M” who are scheduled to work less than forty but at least twenty hours per week shall~~
27 ~~receive longevity pay based on the number of hours worked each pay period. The longevity~~
28 ~~schedule shall be as follows:~~

<u>Completed Years of Service</u>	<u>Annual Pay</u>
10 Years	\$1,639.00
15 Years	\$2,400.00
20 Years	\$3,251.00
25 Years	\$3,840.00
30 Years	\$3,952.00

~~For the purpose of longevity pay, any employee who terminates employment and who is later reemployed shall be treated as a new employee.~~

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

2.78.030 Management Compensation Plan; Sick Leave.

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

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

1 Section 6. That Sections 2.78.010, 2.78.025, and 2.78.030 of the Lincoln Municipal
2 Code as hitherto existing be and the same are hereby repealed.

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

Introduced by:

Approved as to Form & Legality:

City Attorney

Approved this ____ day of _____, 2014:

Mayor