

## ORDINANCE NO. \_\_\_\_\_

1 AN ORDINANCE amending Section 2.76.160 of the Lincoln Municipal Code  
2 relating to the variable merit pay plan for employees with a pay range prefixed by the letter “M”  
3 to reduce the probationary increase for such employees from 4.5% to 3%; and repealing Section  
4 2.76.160 of the Lincoln Municipal Code as hitherto existing.

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

6 Section 1. That Section 2.76.160 of the Lincoln Municipal Code be amended to  
7 read as follows:

8 **2.76.160 Compensation Plan & Variable Merit Pay Plan - M Pay Ranges.**

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

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

17 (b) A ~~four and one-half~~ three percent increase upon successful completion of the  
18 original probationary period;

19 (c) Temporary exceptional service awards not to exceed two percent of the  
20 employee’s current annualized salary to be paid in two, four, or six pay periods;

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

25 The Human Resources Director shall annually send a written report to the Mayor  
26 listing employees approved for exceptional service pay increases.

27 (d) The Human Resources Director, with the approval of the Mayor, may grant  
28 permanent salary increases within the employee’s pay range that are consistent with the spirit and  
29 purpose of the merit system provisions of the City Charter if a department head presents written

1 evidence of unusual circumstances. The effective date of any increase granted in accordance  
2 with this subparagraph (d) shall be used to establish a new eligibility date, which shall be one  
3 year from the effective date of such increase.

4 (e) The eligibility date for evaluating performance of employees will be determined  
5 by completion of the original probationary period, and the effective date of promotion, demotion,  
6 reallocation, or layoff;

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

13 (f) Establishment of a committee to review and approve all merit increases in excess  
14 of four percent.

15 Section 2. That Section 2.76.160 of the Lincoln Municipal Code as hitherto  
16 existing be and the same is hereby repealed.

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

Introduced by:

\_\_\_\_\_

Approved as to Form & Legality:

\_\_\_\_\_  
City Attorney

Approved this \_\_\_ day of \_\_\_\_\_, 2014:

\_\_\_\_\_

Mayor