

CITY OF LA VISTA
MAYOR AND CITY COUNCIL REPORT
SEPTEMBER 1, 2015 AGENDA

Subject:	Type:	Submitted By:
AMENDING THE COMPENSATION ORDINANCE & SETTING RATES OF AUTO & PHONE ALLOWANCES	◆ RESOLUTION ◆ ORDINANCE RECEIVE/FILE	RITA M. RAMIREZ ASSISTANT CITY ADMINISTRATOR/ DIRECTOR OF COMMUNITY SERVICES

SYNOPSIS

A resolution has been prepared to authorize monthly auto and mobile phone allowances. An ordinance to amend the compensation ordinance has been prepared to reflect the following items established as part of the FY16 municipal budget:

- A 2.5 percent Pay for Performance base factor for all City employees not covered by a collective bargaining agreement.
- A 2.5 percent increase for members of the Fraternal Order of Police in conjunction with their contract.
- Such auto allowances and mobile phone allowances as established by the budget or other resolution of the City Council.

FISCAL IMPACT

The FY 15/16 municipal budget includes funding for the proposed amendments.

RECOMMENDATION

Approval and waiver of readings.

BACKGROUND

Each year as part of the budget process recommendations are made regarding wage rates for employees. The Council Policy Statement adopted regarding Pay for Performance (PFP) calls for Council to annually determine whether there should be an adjustment to the salary ranges (which does not increase employee pay) and to establish a base factor, which is a salary increase percentage that employees subject to PFP would be eligible to receive based on their performance. As noted during the budget workshop discussion, the FY16 budget was prepared with no adjustment to the salary ranges and a base factor for wage increases of 2.5%. (Information is attached regarding the compensation research that was done this year.)

FY16 will be the second year of a four-year contract with the Fraternal Order of Police. The contract calls for a 2.5% increase in wages.

Other changes to the comp ordinance include the reclassification of the Part Time Accountant position from a range of 145 to 165.

Compensation Information

The Council Policy statement governing the City's Pay-for-Performance compensation plan calls for Council to make two determinations annually:

1. Establish a "base factor" which is the salary increase percentage that employees who receive an overall performance rating of "Meets Expectations" will be eligible to receive.
2. Adjustment to the salary ranges in order to keep La Vista's salaries comparable to the market. (*This adjustment only changes the salary ranges—it does not increase employee pay.*)

Staff has compiled the following data regarding actual and projected compensation increases. We were also able to find some data regarding salary range increases and projected increases for pay based on performance.

In conjunction with the salary increase trends, we also look at the Consumer Price Index for the Midwest Region. The CPI rose 1.4% from July 2014 to July 2015.

As you know, the staff recommendation for fiscal year 2016 is that the Pay for Performance base factor be set at 2.5% and the salary ranges remain the same. The draft budget has been prepared with these assumptions and Council will officially set these rates as part of the budget process. The base factor is what actually results in salary increases for employees. Under our current PFP system employees who meet expectations would receive a 2.5 or 3% increase, those exceeding expectations would receive a 3.5 or 4% increase, and those classified as exemplary would receive a 4.5% increase. (You will recall that changes were made to the policy a few years ago to add half percent increments to the performance pay.) Below is salary survey information showing projected increases broken out by level of employee performance--high performing, mid-range performing and low performing. More of this type of information is becoming available as Pay for Performance is becoming an increasingly popular compensation strategy.

Projected Increases for Pay Based on Performance			
	High	Mid	Low
Mercer	4.8%	2.7%	0.9%
World at Work	4.1%	2.7%	0.6%

The following chart provides general salary survey information from a variety of sources. Generally, the projections are higher than our recommended base increase. We took into consideration the base factor increases that were given over the past three years and the City's overall financial situation when recommending a 2.5% base factor for FY16. While many private companies went from giving higher percentage increases (4-7%) a few years ago, to giving zero increases when the economy took a downturn, the City's strategy has always been to attempt to provide employees with a fair base increase and minimize the large swings.

	Average Wage Increases 2014	Projected Wage Increases 2015
Bureau of Labor Statistics (State & Local Government)	2.0%	2.3% Mid-Year
AON Hewitt	3.0%	3.1%
The Conference Board	3.0%	3.0%
Hay Group	3.0%	3.0%
Mercer	2.9%	3.0%
SHRM	3.0%	3.1%
Sibson Consulting	2.9%	3.0%
Towers Watson	2.9%	3.0%
World at Work	3.0%	3.1%
World at Work (Nebraska)	2.9%	3.0%
World at Work (Public Adm)	2.7%	2.5%

The City's base factor increases since the inception of the PFP program are:

FY10 3%	FY13 2%	FY16 2.5% (Recommended)
FY11 2.5%	FY14 2%	
FY12 1.5%	FY15 2.5%	

The chart below indicates salary range increases were projected to average around 2% in 2015. As you know, our last compensation study indicated the majority of our positions are at or above the market and our salary ranges are very comparable. Accordingly, and because we are budgeting for a new compensation study in FY16, we are recommending that salary ranges not be increased again this year. Adjustments to the salary ranges do not increase employee pay, but do increase the range maximum.

	Salary Range Increases 2014	Projected Salary Range Increases 2015
The Conference Board	2.0%	2.0%
Sibson Consulting	1.9%	1.9%
World at Work	1.9%	2.1%
World at Work (Nebraska)	1.9%	2.1%

the salary range adjustments since the inception of the PFP program are:

FY10 3%	FY13 1%	FY16 0% (Recommended)
FY11 2.5%	FY14 0%	
FY12 0%	FY15 0%	

Pay for Performance

Since the PFP Policy was adopted in August 2009, we have continued to monitor the implementation of this compensation system. We have made several adjustments including reducing the number of both core and role-specific competencies, changing the weighting of various sections of the performance evaluation form, and changing the rating scale to include half-percent increments. During FY15 a cross departmental team of employees has been working on re-evaluating the entire performance evaluation system with the assistance of the Management Education Group. Recommendations for changes will be forthcoming this fall. In conjunction with this effort and in line with our current policy, funds were also included in the FY16 budget to update our compensation study.

ORDINANCE NO. 1235

AN ORDINANCE TO FIX THE COMPENSATION OF OFFICERS AND EMPLOYEES OF THE CITY OF LA VISTA; TO PROVIDE FOR THE REPEAL OF ALL PRIOR ORDINANCES IN CONFLICT HEREWITH; ORDERING THE PUBLICATION OF THE ORDINANCE IN PAMPHLET FORM; AND TO PROVIDE THE EFFECTIVE DATE HEREOF.

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF LA VISTA, SARPY COUNTY, NEBRASKA:

Section 1. City Council. The compensation of members of the City Council shall, in addition to such vehicle and other allowances as may from time to time be fixed by the Budget or other Resolution of the City Council, be, and the same hereby is, fixed at the sum of \$4,320.00 per year for each of the members of the City Council.

Section 2. Mayor. The compensation of the Mayor shall, in addition to such vehicle and other allowances as may from time to time be fixed by the Budget or other Resolution of the City Council, be, and the same hereby is, fixed at the sum of \$10,800.00 per year.

Section 3. City Administrator. The compensation of the City Administrator shall, in addition to such vehicle and other allowances as may from time to time be fixed by the Budget or other Resolution of the City Council, be established by contractual agreement.

Section 4. Management Exempt Employees. The management exempt employees hereafter named shall, in addition to such vehicle and other allowances as may from time to time be fixed by Resolution of the City Council, receive annualized salaries fixed in accordance with the schedules of Table 200, set forth in Section 21 of this Ordinance, for the following respective wage ranges, and in accordance with such rules as the City Council may by resolution establish:

Position	Range
Asst. City Administrator/Dir. Community Services	215
City Clerk	205
City Engineer/Asst. Public Works Director	210
Community Development Director	205
Director of Administrative Services	215
Finance Director	205
Fire Chief	190
Library Director	205
Police Chief/Director of Public Safety	215
Director of Public Works	215
Recreation Director	205

Section 5. Salaried Exempt Employees. The monthly salary compensation rates of the salaried exempt employees of the City of La Vista shall be, and the same hereby are, fixed in accordance with the schedules of Table 100, set forth in Section 21 of this Ordinance, for the following respective wage ranges, and in accordance with such rules as the City Council may by resolution establish:

Position	Range
Asst. to City Administrator	180
Asst. Golf Superintendent	140
Asst. Recreation Director	175
Building Superintendent	180
Chief Building Official	175
Community Relations Coordinator	175
Golf Course Services Manager	165
Golf Course Superintendent	175
Human Resources Generalist	165
Human Resources Manager	180
Librarian II – Inter-Library Loan/Public Services	160
Librarian III	175
Park Superintendent	180
Planner	175
Police Captain	190
Police Records Manager/Office Manager	165
Program Coordinator	160
Street Superintendent	180

Section 6. Hourly Non-Exempt Employees. The hourly compensation rates of the hourly (non-exempt) employees of the City of La Vista shall be, and the same hereby are, fixed in accordance with the schedules of Table 100 and Table 400, set forth in Section 21 of this Ordinance, for the following respective wage ranges, and in accordance with such rules as the City Council may by Resolution establish:

Position	Range
Accounting Clerk	130
Administrative Assistant	130
Mechanic	140
Building Inspector I	140
Building Inspector II	160
Code Enforcement Officer	141
Executive Assistant	140
Building Technician	160
Librarian II – Computer/Reference Services	160
Librarian I	140
Maintenance Worker I	130
Maintenance Worker II	140
Park Foreman	165
Permit Technician	125
Police Sergeant	426
Police Officer	423
Police Data Entry Clerk	120
Secretary II	125
Secretary/Receptionist	120
Sewer Foreman	165
Street Foreman	165
Shop Foreman	165

Section 7. Part-Time and Temporary Employees. The hourly compensation rates of part-time, seasonal and temporary employees of the City of La Vista shall be, and the same hereby are, fixed in accordance with the schedules of Table 100, set forth in Section 21 of this Ordinance, for the following respective wage ranges, and in accordance with such rules as the City Council may by Resolution establish:

Position	Range
Accountant	<u>145</u> <u>165</u>
Assistant Pool Manager	100
Circulation Clerk I	100
Circulation Clerk II	115
Custodian	105
Evidence Technician	130
Clerical Assistant	115
Intern/Special Projects	115
Lifeguard	100
Pool Manager	110
Recreation Supervisor	100
Seasonal GC Clubhouse & Grounds	100
Seasonal PW All Divisions 1-5 Years	100
Seasonal PW All Divisions 5+ Years	110
Shop Assistant	100
Special Services Bus Driver	110
Temporary/PT Professional (PW)	160

Part-time employees shall receive no benefits other than salary or such benefits as established in accordance with such rules as have been or may be established by Resolution of the City Council:

Section 8. Pay for Performance. Employees not covered by a collective bargaining agreement or express employment contract shall be subject to the City's Pay for Performance (PFP) compensation system as outlined in Council Policy Statement. PFP salary ranges are set forth in Table 100 and 200 of Section 21 of this Ordinance. The base factor for fiscal year 2016~~65~~ shall be set at two and one-half percent (2.5%).

Section 9. Legal Counsel. Compensation of the legal counsel other than special City Prosecutor for the City shall be, and the per diem rates respecting same shall be, at 90% of the standard hourly rate the firm may from time to time charge. Compensation for Special City prosecution shall be as agreed upon at the time of specific employment.

Section 10. Engineers. Compensation of Engineers for the City shall be, and the same hereby is, fixed in accordance with such schedules of hourly and per diem or percentage rates as shall from time to time be approved by Resolution of the City Council. Travel allowances respecting same shall be as may from time to time be fixed by Resolution of such City Council.

Section 11. Longevity Pay. Employees of the City in the positions set forth in Section 3 and Table 400 of this Ordinance shall receive longevity pay in an amount equal to the following percentage of the hourly rate set forth in Section 3 and Table 400 of this Ordinance, rounded to the nearest whole cent:

<u>Length of Service</u>	<u>Allowance Per Hour</u>
Over 7 Years	2.00% (or .02)
Over 10 Years	2.75% (or .0275)
Over 15 Years	4.00% (or .04)
Over 20 Years	4.50% (or .0450)

Section 12. Health, Dental Life and Long Term Disability Insurance. Subject to the terms, conditions and eligibility requirements of the applicable insurance plan documents and policies, regular full-time employees of the City of La Vista and their families shall be entitled to be enrolled in the group life, health, and dental insurance program maintained by the City. Regular full-time employees shall also be entitled to be enrolled in the long term disability insurance program maintained by the City.

Unless otherwise provided by collective bargaining agreement, or other applicable agreement, the City's employer share shall be ninety (90) percent of the amount of the actual premium and the employee shall pay the ten percent (10%) balance of the actual premium via payroll deduction for employees enrolled in single coverage. The City's employer share shall be eighty percent (80%) of the amount of the actual premium and the employee shall pay the twenty percent (20%) balance of the actual premium via payroll deduction for any employee enrolled in a level of coverage other than single. Those employees electing not to participate in these programs will receive no other form of compensation in lieu of this benefit.

Section 13. Establishment of Shifts. The City may establish duty shifts of such length, and to have such beginning and ending times, and to have such meal and break times, as it may deem appropriate or necessary, respecting employees of the City.

Section 14. Special Provisions.

- A. Employees covered by the "Agreement Between the La Vista Fraternal Order of Police Lodge No. 28 and the City of La Vista, Nebraska, covering the period from October 1, 2014 through September 30, 2018," shall receive compensation and benefits and enjoy working conditions, as described, provided and limited by such Agreement. The terms of such Agreement shall supersede any provisions of this Ordinance inconsistent therewith, and be deemed incorporated herein by this reference.
- B. Holiday Pay shall be compensated as set forth in the Agreement between the La Vista Fraternal Order of Police Lodge No. 28 and the City of La Vista for police officers and as set forth in the Personnel Manual for all other full time employees.
- C. Subject to subsection 14.D. hereof, each full time hourly non-exempt employee of the City shall be entitled to receive overtime pay at the rate of one and one half times the employee's regular rate for each hour worked in excess of forty hours during a work week. If called out at any time other than during regular assigned work hours during the pay period, such employee shall be entitled to compensation at the rate of one and one half times the regular rate for each hour so worked, provided that in no case shall an employee receive less than two hours overtime pay for such call out work, and further provided there shall be no pyramiding of hours for purposes of computing overtime. For purposes of this subsection an employee's "regular rate" shall be the sum of his or her hourly rate specified in Section 6 of this Ordinance and any longevity pay due under this Ordinance.
- D. Police Department employees covered by the "Agreement Between the La Vista Fraternal Order of Police Lodge No. 28 and the City of La Vista, Nebraska," described in subsection 14.A hereof shall, as provided in such Agreement, be paid overtime at one and one half times the employee's hourly rate (including any longevity allowance) for each hour worked in excess of 80 hours during any 14 day

work period coinciding with the pay period established by Section 16 of this Ordinance.

- E. All Management Exempt Employees and all Salaried Exempt Employees are considered to be salaried employees and shall not be eligible for overtime pay, holiday pay, or other special pay as provided by this section.
- F. Public Works Employees who are required to wear protective footwear may submit to the City for reimbursement for the cost of work boots in an amount not to exceed \$120.
- G. Public Works Employees may submit to the City for reimbursement for the difference in cost between a Nebraska Driver's License and a "CDL" driver's license within 30 days of obtaining a CDL license when a CDL license is required as a part of the covered employee's job description.
- H. Public Works Employees shall be provided by the City five safety work shirts in each fiscal year at no cost to the employee.
- I. Employees not covered by the "Agreement Between the La Vista Fraternal Order of Police Lodge No. 28 and the City of La Vista" and who are otherwise eligible, shall be paid overtime at the rate of one and one-half times the employee's hourly rate for all hours worked over forty in the pay periods that encompass the annual La Vista Days celebration, except, that if an employee uses any sick leave, vacation leave, personal leave, or comp time during the corresponding pay periods, such leave time shall offset any overtime earned. Overtime earned will not be offset by any holiday that falls during the above referenced pay periods.

Section 15. Pay for Unused Sick Leave Upon Retirement or Death. Employees who voluntarily retire after twenty or more years of service with the City and have no pending disciplinary action at the time of their retirement, shall be paid for any unused sick leave. Employees who began their employment with the City after January 1, 2005, or who began their employment prior to this date but elected to waive their eligibility for emergency sick leave, shall be paid for any unused sick leave, if they voluntarily leave City employment and have no pending disciplinary action, according to the following sliding schedule: After 10 years of employment – 100% of sick leave hours accrued over 660 and up to 880; after 15 years of employment – 100% of sick leave hours accrued over 440 hours and up to 880; after 20 years of employment – 100% of sick leave hours accrued up to 880. No other employee shall be paid for any unused sick leave upon termination of employment.

A regular full-time employee's unused sick leave shall also be paid if, after October 1, 1999, the employee sustains an injury which is compensable by the City or the City's insurer under the Nebraska Workers' Compensation Act and such injury causes the death of the employee within two years after the date of injury. Any payment made pursuant to the preceding sentence shall be made to the surviving spouse of the employee; provided, such payment shall be made to the employee's estate if the employee leaves no surviving spouse or if, prior to his or her death, the employee filed with the City Clerk a written designation of his or her estate as beneficiary of such payment.

Section 16. Pay Periods. All employees of the City of La Vista shall be paid on a bi-weekly basis. The pay period will commence at 12:01 a.m. Sunday and will conclude at 11:59 p.m. on the second succeeding Saturday. On the Friday following the conclusion of the pay period, all employees shall be paid for all compensated time that they have been accredited with during the pay period just concluded.

Section 17. Public Works Lunch and Clean-up Times. Lunch period for employees of the Public Works Department shall be one half hour (30 minutes) in duration. Public Works employees shall be granted a 5 minute clean-up period prior to start of lunch period, and shall be granted an additional 5 minutes clean-up period prior to the end of the work day.

Section 18. Sick Leave and Personal Leave. Sick leave and personal leave will be awarded and administered in conjunction with the provisions set forth in the personnel manual and the Agreement between the La Vista Fraternal Order of Police Lodge No. 28 and the City of La Vista, as applicable to the employee in question.

Section 19. Vacation Leave. Upon satisfactory completion of six months continuous service, regular full-time employees and permanent part-time employees shall be entitled to vacation leave. Such vacation shall not be used in installments of less than one hour.

Increments of vacation leave of less than four hours must have 48 hours prior approval and can be taken only at the beginning or at the end of the work day.

Section 20. Vacation Entitlement.

- A. All full-time employees whose employment is governed by the Agreement described in Section 14, Paragraph A. of this Ordinance shall earn, accrue and be eligible for vacation as provided in such Agreement.
- B. All other full-time Hourly Non-Exempt Employees shall earn: six (6) days of paid vacation during the first year of continuous full-time employment; eleven (11) days of paid vacation during the second year of continuous full-time employment; and thereafter, eleven (11) days of paid vacation during each subsequent year of continuous full-time employment, plus one (1) additional day of paid vacation for each year of continuous full-time employment in excess of two years. Notwithstanding the foregoing, no employee shall earn more than twenty-three (23) days of paid vacation per employment year.
- C. All Management Exempt Employees, and Salaried Exempt Employees, shall earn ten (10) days paid vacation during the first year of continuous employment, and one (1) additional vacation day for each additional year of continuous employment not to exceed twenty-six (26) days.
- D. All Permanent Part Time Employees working a minimum of twenty (20) hours per week shall earn forty (40) hours of paid vacation time per year after six (6) months of employment. Total paid vacation time earned per year shall not exceed forty (40) hours.
- E. Full Time Exempt and Non-Exempt Employees shall be allowed to accrue unused vacation leave from previous years to a maximum of 220 hours.
- F. Permanent Part Time Employees shall be allowed to accrue unused vacation leave from previous years to a maximum of 110 hours.

Section 21. Wage Tables.

Table 100
Salaried Exempt Employees
Hourly Non-Exempt Employees

Range			Minimum	Maximum	Range			Minimum	Maximum
100	Hourly	9.27	12.04		141	Hourly	16.42	21.50	
	Monthly	1,607	2,087			Monthly	2,846	3,727	
	Annual	19,282	25,043			Annual	34,154	44,720	
105	Hourly	10.99	14.50		145	Hourly	16.88	21.92	
	Monthly	1,905	2,513			Monthly	2,926	3,799	
	Annual	22,859	30,160			Annual	35,110	45,594	
110	Hourly	11.38	14.78		150	Hourly	17.73	23.03	
	Monthly	1,973	2,562			Monthly	3,073	3,992	
	Annual	23,670	30,742			Annual	36,878	47,902	
115	Hourly	12.24	15.90		160	Hourly	19.45	25.26	
	Monthly	2,122	2,756			Monthly	3,371	4,378	
	Annual	25,459	33,072			Annual	40,456	52,541	
120	Hourly	13.16	17.09		165	Hourly	20.72	26.91	
	Monthly	2,281	2,962			Monthly	3,591	4,664	
	Annual	27,373	35,547			Annual	43,098	55,973	
125	Hourly	14.16	18.39		175	Hourly	24.42	31.71	
	Monthly	2,454	3,188			Monthly	4,233	5,496	
	Annual	29,453	38,251			Annual	50,794	65,957	
130	Hourly	14.65	19.02		180	Hourly	27.06	35.15	
	Monthly	2,539	3,297			Monthly	4,690	6,093	
	Annual	30,472	39,562			Annual	56,285	73,112	
140	Hourly	16.03	20.81		190	Hourly	33.44	43.44	
	Monthly	2,779	3,607			Monthly	5,796	7,530	
	Annual	33,342	43,285			Annual	69,555	90,355	

Table 200
Management Exempt Employees

Range			Minimum	Maximum
200	Hourly	34.21	43.65	
	Monthly	5,930	7,566	
	Annual	71,157	90,792	
205	Hourly	35.53	45.35	
	Monthly	6,159	7,861	
	Annual	73,902	94,328	
210	Hourly	37.81	48.14	
	Monthly	6,554	8,344	
	Annual	78,645	100,131	
215	Hourly	41.14	52.50	
	Monthly	7,131	9,100	
	Annual	85,571	109,200	

Table 400						
Classification: FOP Collective Bargaining						
Hourly Non-Exempt						
Range	A	B	C	D	E	F
426 Hrly				35.00 6,067 72,800	36.46 6,320 75,837	38.77 6,720 80,642
423 Hrly	22.95 3,978 47,736	24.50 4,247 50,960	26.92 4,666 55,994	28.50 4,940 59,280	31.10 5,391 64,688	32.72 5,671 68,058

Section 22. Repeal of Ordinance No. 123528. Ordinance No. 123528- originally passed and approved on the 2nd16th day of DecemberSeptember 202014 is hereby repealed.

Section 23. Effective Date. This Ordinance shall take effect after its passage, approval and publication as provided by law.

Section 24. This Ordinance shall be published in pamphlet form and take effect as provided by law.

PASSED AND APPROVED THIS 1ST2ND DAY OF SEPTEMBER 2015DECEMBER
2014.

CITY OF LA VISTA

Douglas Kindig, Mayor

ATTEST:

Pamela A. Buethe, CMC
City Clerk

RESOLUTION NO. _____

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF LA VISTA, NEBRASKA AUTHORIZING MONTHLY VEHICLE AND MOBILE PHONE ALLOWANCES FOR SPECIFIC OFFICERS AND EMPLOYEES OF THE CITY.

WHEREAS, the Mayor and City Council establish by ordinance the compensation for officers and employees of the City of La Vista and said ordinance establishes that the Mayor and Council may additionally fix by resolution such vehicle and other allowances as may from time to time be fixed in the municipal budget; and

WHEREAS, the FY16 municipal budget establishes funds for vehicle and mobile phone allowances for various officers, employees and volunteers of the City and are recommended by the Finance Director and City Administrator.

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and City Council of La Vista, Nebraska, do hereby authorize the following vehicle and mobile phone allowances:

<u>Tier</u>	<u>Monthly Vehicle Allowance</u>	<u>Tier</u>	<u>Monthly Phone Allowance</u>
Tier 1	\$20	Tier 1	\$10
Tier 2	\$30	Tier 2	\$20
Tier 3	\$40	Tier 3	\$40
Tier 4	\$50	Tier 4	\$50
Tier 5	\$100	Tier 5	\$60
Tier 6	\$150	Tier 6	\$90
Tier 7	\$200		
Tier 8	\$300		

PASSED AND APPROVED THIS 1ST DAY OF SEPTEMBER, 2015.

CITY OF LA VISTA

ATTEST:

Douglas Kindig, Mayor

Pamela A. Buethe, CMC
City Clerk