

**CITY OF PAPIILLION
MAYOR AND CITY COUNCIL REPORT
OCTOBER 5, 2021**

Subject:	Type:	Submitted By:
Resolution to amend the 2021/2022 salary ranges for management & exempt positions and include the position of Deputy Public Works Director.	Resolution R21-0196	Carrie Svendsen, Human Resources Director

SYNOPSIS

Approval of this resolution amends the Management/Exempt Compensation Program by adding Subgrade 6 in Band D. Positions previously listed in Subgrade 5 of Band D will be moved to this new subgrade. Additionally, this resolution will add the newly created position of Deputy Public Works Director to Band D, Subgrade 5.

Section 69-1 of the Papillion Municipal Code requires "the City Council to adopt a resolution setting forth the compensation range for each employee."

Future requests to update the Management/Exempt Compensation Program will be brought forward in order to make adjustments based on a newly hired Public Works Director and a future comparability study.

FISCAL IMPACT

The estimated fiscal impact is \$9899 managed with additional position changes. The funding of this role can be achieved within the current October 1, 2021, budget and will be included in future budgets.

RECOMMENDATION

Approval

BACKGROUND

The City Council adopted Resolution No. R16-0136 on October 18, 2016, which created the Management/Exempt Compensation Program for all City employees exempt from the Federal Fair Labor Standards Act (FLSA) and established salary ranges for those positions through General Order CA 10182016-5. The program stipulates a review of the salary ranges for management and exempt personnel at a time and in a manner consistent with the approval of the collective bargaining agreements for other full-time City employees, but no less than every five years.

Despite the salary ranges not being adjusted each year, the City Council is required to annually approve the salary ranges of all full-time employees per Section 69-1 of the City Code. The annual salary ranges are effective from October 1st to September 30th of the following year to coincide with the City's fiscal year. The ranges were approved on June 1, 2021, by Resolution R21-0110. Resolution R21-0174 to adopt revisions to the Management/Exempt Compensation Program General Order was approved on September 7, 2021, by the City Council.

ATTACHMENTS

1. Resolution R21-0196 Resolution to amend the 2021/2022 salary ranges for management & exempt positions.
2. General Order CA09072021-6 Management/Exempt Compensation Program approved on September 7, 2021

RESOLUTION NO. R21-0196

A RESOLUTION TO PROVIDE FOR THE ESTABLISHMENT OF SALARY RANGES FOR MANAGEMENT/EXEMPT PERSONNEL AND TO PROVIDE AN EFFECTIVE DATE THEREOF.

WHEREAS, the Code of the City of Papillion, Chapter 69, Salaries and Compensation, Section 69-1 requires the City Council to adopt a resolution setting forth the names and classifications for each full time employee and also set the compensation range for such employees; and,

WHEREAS, the Mayor and City Council adopted the Management/Exempt Compensation Program effective October 1, 2016, through adoption of General Order CA10182016-6; and,

WHEREAS, positions previously listed in Subgrade 5 of Band D will be moved to a newly created Subgrade 6 in Band D pursuant to the Compensation Program; and,

WHEREAS, the position of Deputy Public Works Director will be added and shall be placed on Band D Subgrade 5 pursuant to the Compensation Program; and,

WHEREAS, management/exempt employees will be placed/phased into the tier and salary range based on the criteria pursuant to the Compensation Program; and,

WHEREAS, this resolution shall supersede all previous resolutions.

THEREFORE, BE IT RESOLVED, by the Mayor and City Council of the City of Papillion that the following salary ranges for management and exempt positions are adopted and effective on October 1, 2021.

BANDS	SALARY RANGES					
	TIER 1		TIER 2		TIER 3	
<u>Band F</u>						
Subgrade 2 Deputy City Administrator- Philip Green	\$89,038	\$103,005	\$103,006	\$116,973	\$116,974	\$130,939
Subgrade 1 City Attorney – Alan Thelen Finance Director – Nancy Hypse	\$85,477	\$98,885	\$98,886	\$112,294	\$112,295	\$125,701
<u>Band E</u>						
Subgrade 4 Fire Chief - Bill Bowes Police Chief - Christiaan Whitted Public Works Director - Vacant	\$85,477	\$98,885	\$98,886	\$112,294	\$112,295	\$125,701
Subgrade 3 Planning Director - Mark Stursma	\$81,915	\$94,765	\$94,766	\$107,615	\$107,616	\$120,464

Subgrade 2 Deputy Fire Chief - Jeff Jones Deputy Police Chief - Vacant Recreation Director - Tracy Stratman	\$74,792	\$86,524	\$86,525	\$98,258	\$98,259	\$109,989
Subgrade 1 Chief Building Official - Shawn Hovseth City Clerk - Nicole Brown Golf General Manager - Robert Spomer Human Resources Director - Carrie Svendsen Library Director - Matt Kovar Parks/Facility Maintenance Director - Tony Gowan	\$67,669	\$78,284	\$78,285	\$88,899	\$88,900	\$99,513
<u>Band D</u>						
Subgrade 6 – New Police Lieutenant - Orin Orchard Police Lieutenant - Jerry Prazan Police Lieutenant - Ray Higgins Assistant Attorney - Carla Heathershaw Risko Deputy Engineer - Alex Evans	\$72,655	\$84,052	\$84,053	\$95,450	\$95,451	\$106,849
Subgrade 5 Deputy Public Works Director - Vacant	\$67,669	\$78,284	\$78,285	\$88,899	\$88,900	\$99,513
Subgrade 4 Assistant Finance Director - Sally Jones Assistant Planning Director - Travis Gibbons Staff Engineer - Derek Goff Chief Water Superintendent - Nicholas Adams Assistant Director/Facility Manager - Tim Moran Fire Marshal - Steven Thornburg	\$64,107	\$74,164	\$74,165	\$84,221	\$84,222	\$94,276
Subgrade 3 PW Shop Superintendent- Mike Grieb PW Street Superintendent – Rickey Lee PW Water Superintendent - Richard Heydenreich	\$60,546	\$70,043	\$70,044	\$79,542	\$79,543	\$89,038
Subgrade 2 Assistant Library Director/Community Engagement Coordinator - Lacey Partlow Communications Manager - Trent Albers Recreation Superintendent - No one assigned at this time	\$56,985	\$65,923	\$65,924	\$74,863	\$74,865	\$83,801
Subgrade 1 SumTur Amphitheater/Events Manager - Doug Huggins City Planner - Michelle Romeo Librarian II/Youth Services Manager - Kelly Warehime Plans Examiner - Brad Sojka Recreation Marketing/Event Manager – Vacant	\$55,560	\$64,275	\$64,276	\$72,992	\$72,993	\$81,706

<u>Band C</u>						
Subgrade 2						
EMS Manager - Carol Gupton						
Executive Assistant/Administration - Robin Lance						
Golf Course Superintendent - Remington Caley						
Golf Course Superintendent - Ryan Shea						
Head Golf Professional - Evan Erickson						
Head Golf Professional - Mark Schulte						
Head Golf Professional - Tim Whalen	\$53,423	\$61,803	\$61,804	\$70,184	\$70,185	\$78,563
Recreation Coordinator/Sports - Vacant						
Program Coordinator - Amber Smith						
Program Coordinator - Julian Andrade						
Program Coordinator - Jessica Hubbard						
Program Coordinator - Vacant						
Program Coordinator - Michael Lennen						
Recreation Maintenance Supervisor - Matthew Wolff						
Public Works Admin Manager/Development Coordinator - Jennifer Roesler						
Public Services Manager - MaLinda McEntire						
Subgrade 1						
Administrative Assistant - Diane Carlson	\$49,861	\$57,683	\$57,684	\$65,505	\$65,506	\$73,326
Administrative Assistant - Kimberly Miller						
Administrative Assistant - Kathy Murray-Andersen						

PASSED AND APPROVED THIS 5th DAY OF OCTOBER, 2021.

CITY OF PAPILLION,

(S E A L)

Attest:

David P. Black, Mayor

Nicole Brown, City Clerk

CA09072021-6	City of Papillion - General Order	
TOPIC: Management/Exempt Compensation Program		
ISSUED BY: City Council	NOTE: Replaces CA10182016-5	EFFECTIVE DATE: October 1, 2021

I. Discussion

Pursuant to the Federal Fair Labor Standards Act (FLSA), the City of Papillion (City) has a group of employees who qualify as "exempt". An *FLSA exempt* employee is one who *is not covered* by the minimum wage and overtime provisions of the Fair Labor Standards Act. City management/exempt employees have primary responsibility for the management and supervision of all city operations.

All other full-time employees are represented by one of three labor unions: the Fraternal Order of Police, the International Association of Firefighters, and the Papillion Classified Employees Association. Each labor union collectively bargains for wages, benefits, and work conditions at predetermined intervals of time.

Wages, benefits, and work conditions for management/exempt employees are determined by the Mayor and City Council. Management/exempt employees are covered by the Industrial Relations Act (Act) defined in Neb. Rev. Stat. §48-801 to §48-839. The Act governs employee relations and resolves formal disputes relative to compensation and conditions of employment.

In 2005, the "Step and Grade" system was replaced by a "Pay for Performance" program in which employees were required to achieve minimum performance standards to be considered for upward movement within their approved salary ranges. The revised Pay for Performance program continues to support the original philosophical goals: 1) ensuring the City of Papillion remains competitive in the marketplace, and 2) maintaining the "Pay for Performance" compensation model. The program is enhanced by utilizing broad band pay classification salary ranges and establishing additional criteria for employee movement within the approved salary ranges.

II. Pay for Performance Program

This guideline establishes the parameters for the performance-based compensation program. The program consists of a multiple phase process including: pay classifications, broad band pay classification salary ranges, annual appropriation, employee placement and movement within the salary range, and periodic adjustments to the pay classification salary ranges.

A. Pay Classifications:

Broad band pay classifications were established using the decision band method. Classification bands for management/exempt positions were created based on the level of decision-making authority and responsibility. Listed below are the four broad band pay classifications:

- **Band F – Policy Making Decisions** - reflects those positions with policy making decision authority. Decisions determine the scope, the direction, and overall goals impacting the entire organization.
- **Band E - Programming Decisions** – reflects those positions where decisions deal with the meaning of achieving the goals established by Band F. Decisions are concerned with the development or adjustment of the strategic direction for major departments or divisions within the City.
- **Band D – Interpretive Decisions** – reflects those positions which require the employee to interpret and carry out the programs or objectives developed by Band E. Decisions specify what is required in the lower bands and how resources are allocated by Band E are to be organized.
- **Band C – Process Decisions** – reflects those positions involved in the determination of the means or process of achieving the objectives, standards or guidelines established by Bands F-D.

B. Salary Ranges

Pursuant to 69-1 of the Papillion City Code, salary ranges shall be established for each management/exempt position and shall be approved by the City Council annually. Broad band pay classifications will be established using position classifications and a wage comparability study consistent with the provisions of the Industrial Relations Act and the Commission of Industrial Relations (CIR). Employee wages were grouped based on the comparability study and salary bands were established to include a minimum and maximum salary.

A wage comparability study will be performed on a periodic basis to ensure compliance with the Act, to maintain marketplace competitiveness, internal equity, and relevancy. It is the intent of this policy to review and modify salary ranges at a time and in a manner consistent with the approval of the collective bargaining agreements for other city employees, but no less than every five years.

1. Annual Appropriation

An annual appropriation to the budget will be made to accommodate the ***Pay for Performance Program***. The appropriation percentage is determined by the City Administrator and approved by the Mayor and City Council through the budget process. The City Administrator will consider market conditions, collective bargaining agreements, Consumer Price Index, and other comparable wage data to determine the annual appropriation.

2. Placement/Progression

Each broad band pay classification salary range shall consist of a minimum and maximum salary. The spread between the minimum and maximum shall be consistent for all bands. Control points (experience, education, and performance) are built into the salary range as tiers. The ranges will be divided into three tiers. The spread between the minimum and maximum salaries will be equally split between each of the three tiers within the overall range. Each tier within the overall salary range provides controlled progression based on levels of performance, education/credentials, and experience.

3. Initial Placement

Newly hired management/exempt employees may be placed within Tier 2 in the appropriate band based on the employee's years of professional credit (up to a maximum of nine (9) years), education and current market conditions. If after the first performance evaluation, the employee does not attain the required tier performance level, the employee may be placed at a lower tier consistent with the performance rating, but in no event shall the salary reduction be greater than five percent (5%), consistent with Section B. 5. d) below.

4. Tiers within Salary Band

a) Tier 1:

Tier 1 of the salary range begins with the minimum salary. The top of the range within this category is the minimum salary plus one-third of the spread between the minimum and maximum salary range as described in Section B. 2. above.

- Employees in *Tier 1* have: 1) less than seven (7) years of experience, 2) an average performance rating of less than 3.65* over a period of three years, including the current evaluation**, and 3) the minimal education/credential requirements for the position or have an approved plan to achieve the minimal education/credential requirements by a date certain, as mutually agreed upon by the employee and the City.

b) Tier 2:

Tier 2 of the salary range begins with the maximum of the Tier A salary range. The top of the range within this category is calculated by adding one-third of the spread between the minimum and maximum salary range as described in Section B. 2. above.

- Employees in *Tier 2* shall have attained all of the following achievements: 1) greater than seven (7) years of experience, and 2) an average performance rating equal to or above 3.65* over a period of three years, including the current evaluation**, and 3) a bachelor's degree, or at least ten (10) years of consecutive City of Papillion

experience in lieu of the degree.

c) Tier 3:

Tier 3 of the salary range begins with the top of the Tier B salary range and concludes with the maximum salary.

- Employees in **Tier 3** shall have attained all of the following achievements: 1) greater than twelve (12) years of experience, and 2) an average performance rating equal to or above 4.15* over the last three-year period, including the current evaluation, and 3) a Master's Degree or other approved credential, or at least fifteen (15) years of consecutive City of Papillion experience in lieu of the degree.

Employees who have attained a Master's Degree and have met all other performance, education, and experience requirements in order to be placed in Tier 3 and are in Tier 3 as of October 1st, shall be awarded a \$600 stipend on October 1st of each year.

For positions within the Engineering Division, Attorney Department, and Finance Department, the required licensing (Nebraska Licensed Professional Engineer, Doctor of Law Degree, and Certified Public Accountant) are deemed the equivalent of a Master's Degree.

**Pay for Performance Evaluation Form: 5.0 = Superior Rating, 4.0 = Above Average Rating, and 3.0= Satisfactory Rating.*

***For those with less than three years of experience with the City, the average will be calculated over the number of years worked.*

5. Annual Performance Evaluation

a) Management/exempt employees will be evaluated annually using evaluation forms consistent with Pay for Performance objectives. Using the criteria described above (performance ratings, years of experience, and education/credentials), department directors will recommend placement of management/exempt subordinates within the pay classification salary range to the City Administrator for consideration.

b) Final employee placement within the pay classification salary range is at the sole discretion of the City Administrator. The City Administrator will provide recommendations of final placement to the City Council for approval.

c) Management/exempt employees hired after July 1st will not be eligible for a performance-based salary modification until October 1st of the following year. Management/exempt employees hired prior to July 1st are eligible for a performance-based salary increase on a pro-rated basis on October 1st of the year hired.

- d)** Final employee placement within the pay classification salary range is at the sole discretion of the City Administrator. The City Administrator will provide recommendations of final placement to the City Council for approval.
- e)** Management/exempt employees hired after July 1st will not be eligible for a performance-based salary modification until October 1st of the following year. Management/exempt employees hired prior to July 1st are eligible for a performance-based salary increase on a pro-rated basis on October 1st of the year hired.
- f)** Management/exempt employees reaching the experience threshold to move into the next upward tier will not be eligible for movement until October 1st of the year in which the years of service/experience are achieved.
- g)** Management/exempt employees moving upward to the next tier will move to the minimum with an adjustment no greater than five percent (5%) annually in addition to the performance/merit increase.

Management/exempt employees who do not maintain the performance criteria as defined in Section B. 4. above are subject to a reduction to the appropriate tier, but in no event shall an employee's salary be reduced by more than five percent (5%) annually from their current placement.