

**CITY OF LA VISTA
MAYOR AND CITY COUNCIL REPORT
SEPTEMBER 6, 2022 AGENDA**

Subject:	Type:	Submitted By:
PREMIUM PAY FOR ALL FULL-TIME AND PART-TIME EMPLOYEES	◆ RESOLUTION ◆ ORDINANCE RECEIVE/FILE	KEVIN POKORNÝ DIRECTOR OF ADMINISTRATIVE SERVICES

SYNOPSIS

A resolution has been prepared to approve premium pay for full-time and part-time employees who work between October 23, 2022 and December 17, 2022 not to exceed \$150,000 for all such payments.

FISCAL IMPACT

The FY22 General and Sewer Fund annual budgets have savings in wages and benefits that will carry forward and cover the costs and expenses connected with the premium pay.

RECOMMENDATION

Approval.

BACKGROUND

During FY22, as the City continued to recover from the adverse impact of COVID-19, many essential positions, throughout the organization became vacant and remain vacant today. Recruiting and hiring for some positions has been difficult and has resulted in current employees covering the extra workload. It is currently estimated that the vacant positions will result in over \$258,000 in FY22 salary and benefit savings in the General and Sewer Fund that will carry forward and cover costs and expenses connected with Premium Pay.

It is imperative that the City retain the current workforce who is essential to maintaining continuity of operations and infrastructure as the City continues to recruit to fill the vacant positions. As such, Premium Pay is recommended for all City employees, excluding the City Administrator, seasonal employees and elected officials, in an amount of up to one thousand dollars (\$1000) for each full-time employee and an amount of up to five hundred dollars (\$500) for each part-time employee, paid for actual hours worked at a rate of \$12.50 per hour between October 23, 2022 and December 17, 2022. All federal and state withholdings will apply. Premium Pay will be excluded from compensation for purposes of determining or allocating contributions or benefits to any retirement plan of the City that is qualified under Internal Revenue Code section 401(a).

ORDINANCE NO. 1458

AN ORDINANCE OF THE CITY OF LA VISTA, NEBRASKA TO APPROVE FINDINGS, DETERMINATIONS, AND ONE-TIME, TEMPORARY PREMIUM PAY IN AN AMOUNT UP TO ONE THOUSAND DOLLARS (\$1,000) FOR EACH CITY FULL-TIME EMPLOYEE AND UP TO FIVE HUNDRED DOLLARS (\$500) FOR EACH CITY PART-TIME EMPLOYEE, EXCLUDING THE CITY ADMINISTRATOR, SEASONAL EMPLOYEES AND ELECTED OFFICIALS, PAID AT A RATE OF \$12.50 PER HOUR FOR HOURS WORKED FOR THE TIME PERIOD BEGINNING OCTOBER 23, 2022 THROUGH DECEMBER 17, 2022, IN TOTAL NOT TO EXCEED ONE HUNDRED FIFTY THOUSAND DOLLARS (\$150,000); TO SPECIFY APPLICABLE CONDITIONS AND AUTHORIZE FURTHER ACTIONS; AND TO PROVIDE FOR SEVERABILITY, PUBLICATION AND AN EFFECTIVE DATE HEREOF.

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

Section I. FINDINGS AND DETERMINATIONS. The Mayor and City Council make and approve the following findings and determinations:

1. The City during the 2022 fiscal year continued to deal with adverse impacts of COVID-19, including vacancies in many essential positions throughout the organization that remain vacant today;
2. Recruiting and hiring for some positions has been difficult, resulting in current employees covering extra workload;
3. Such vacancies and challenges are expected to continue in fiscal year 2023;
4. It is imperative that the City retain the current workforce, which is essential to maintaining continuity of operations and infrastructure as the City continues efforts to recover from the effects of COVID-19 and fill vacant positions;
5. As such, it is necessary and desirable to provide one-time, temporary premium pay for all City employees, excluding the City Administrator, seasonal employees and elected officials, in an amount of up to one thousand dollars (\$1,000) for each full-time employee and an amount of up to five hundred dollars (\$500) for each part-time employee, determined and paid at a rate of \$12.50 per hour for actual hours worked during the time period beginning October 23, 2022 through December 17, 2022 ("Premium Pay"), with the total amount of all Premium Pay payments not to exceed one hundred fifty thousand dollars (\$150,000);
6. It currently is estimated that vacant positions at the City will result in over \$258,000 in salary and benefit savings in the 2022 fiscal year that will be carried forward and cover costs and expenses connected with Premium Pay; and
7. Premium Pay will be subject to all applicable pay computations and deductions, including those outlined in City Personnel Rules and Regulations Handbook, Section 7.7 Pay Computations; provided, however, Premium Pay will be excluded from compensation for purposes of determining or allocating contributions or benefits to any retirement plan of the City that is qualified under Internal Revenue Code section 401(a).

Section II. PREMIUM PAY APPROVAL. One-time, temporary Premium Pay is approved for all City employees, excluding the City Administrator, seasonal employees and elected officials, in an amount up to one thousand dollars (\$1,000) for each City full-time employee and up to five hundred dollars (\$500) for each City part-time employee, determined and paid at a rate of \$12.50 per hour for actual hours worked during the time period beginning October 23, 2022 through December 17, 2022, subject to the following:

1. The total of all Premium Pay payments shall not to exceed one hundred fifty thousand dollars (\$150,000);
2. "Hours worked" for purposes of Premium Pay shall mean hours actually worked by an employee, excluding all vacation, sick, or other time when an employee is absent or not actually working;
3. Premium Pay shall be in addition to other compensation approved by the Mayor and City Council;
4. Premium Pay will be excluded from compensation for purposes of determining or allocating contributions or benefits to any retirement plan of the City that is qualified under Internal Revenue Code section 401(a). All other applicable pay computations and deductions, including those outlined in the City Personnel

Rules and Regulations Handbook, Section 7.7 Pay Computations, shall apply with respect to Premium Pay;

5. Premium Pay shall not be paid to members of the bargaining unit represented by La Vista Fraternal Order of Police Lodge No. 28 unless the City and said Lodge 28 enter into a written agreement stating that Premium Pay to members of such bargaining unit will be excluded from compensation for purposes of determining or allocating contributions or benefits under the City of La Vista Police Officers Retirement Plan and Trust, in form and content satisfactory to the City Administrator ("FOP Agreement"); and
6. Recitals at the beginning of this Ordinance are incorporated into this Ordinance by reference.

Section III. AUTHORIZATION OF FURTHER ACTION. The Mayor or City Administrator shall be authorized to take any action on behalf of the City as he or she determines necessary or appropriate to implement and carry out this Ordinance, including without limitation entering, executing or delivering on behalf of the City any FOP Agreement or any other contract, agreement, document or instrument.

Section IV. SEVERABILITY. If any section, subsection, sentence, or other part of this Ordinance is for any reason held to be unconstitutional or invalid, such unconstitutionality or invalidity shall not affect the validity of the remaining portions of this Ordinance. The Mayor and City Council of the City of La Vista hereby declare that it would have passed this Ordinance and each section, subsection, sentence, and part thereof, irrespective of the fact that any one or more sections, subsections, sentences, or parts be declared unconstitutional or invalid.

Section V. PUBLICATION AND EFFECTIVE DATE. This Ordinance shall be published and take effect in accordance with applicable law.

PASSED AND APPROVED THIS 6TH DAY OF SEPTEMBER 2022.

CITY OF LA VISTA

Douglas Kindig, Mayor

ATTEST:

Pamela A. Buethe, MMC
City Clerk

LETTER AGREEMENT BETWEEN THE CITY OF LA VISTA, NEBRASKA AND THE
FRATERNAL ORDER OF POLICE, LODGE NO. 28 REGARDING EXCLUSION OF
TEMPORARY PREMIUM PAY FOR PURPOSES OF RETIREMENT BENEFITS

This will confirm that the La Vista Fraternal Order of Police Lodge No. 28 and the City of La Vista, Nebraska agree as follows with respect to the bargaining unit covered by the Amended Agreement Between the La Vista Fraternal Order of Police Lodge No. 28 and the City of La Vista, Nebraska:

Temporary premium pay of \$12.50 per hour ("Temporary Premium Pay") that is paid to any bargaining unit employee pursuant to Ordinance No. 1458 for actual hours worked from October 23, 2022 through December 31, 2022 (up to a maximum \$1,000 for a full time employee and maximum \$500 for a part time employee) shall be excluded for all purposes of the City of La Vista Police Officers Retirement Plan and Trust ("Plan") or Police Officers Retirement Act set forth in Neb. Rev. Stat. Sections 16-1001 through 16-1019 ("Act"). Not in limitation of the foregoing, all Temporary Premium Pay shall be excluded from compensation for purposes of determining or allocating contributions or benefits of or to any bargaining unit employee under the Plan or Act.

SO AGREED,



Scott Collett, President,
La Vista Fraternal Order of Police Lodge No. 28

Date: August 31, 2022

Brenda Gunn, City Administrator,
City of La Vista, Nebraska

Date: _____