



City of Grand Island

Tuesday, November 28, 2006

Council Session

Item G5

#2006-342 - Approving Amendments to Personnel Rules & Regulations Relative to Severance Pay

Staff Contact: Brenda Sutherland

Council Agenda Memo

From: Brenda Sutherland, Human Resources Director
Meeting: November 28, 2006
Subject: Revision to Personnel Rules
Item #'s: G-5
Presenter(s): Brenda Sutherland, Human Resources Director

Background

The City Council approved changes to the Personnel Rules that became effective on October 1, 2006. Administration became aware of “wording” issues in municipal policy through a League of Municipalities meeting. The issue revolved around the term severance pay. The advice given to members of the League of Municipalities was that to use the term “severance pay” was not appropriate.

Discussion

City Administration has reviewed the Personnel Rules and found the term severance pay under Section 3.04 RESIGNATIONS, RETIREMENTS, AND LAYOFFS. The manner in which the City handles this situation is more accurately described with the language change that is proposed as follows:

SEVERANCE PAY CONSIDERATION GIVEN FOR RELEASE OF ALL CLAIMS AGAINST THE CITY: Employees with 5 or more years of continuous employment with the City whose employment is terminated by a reduction in force will be entitled to ~~severance~~ consideration pay equal to one month’s pay ~~for the release of all claims against the City.~~ Employees who retire or are terminated through disciplinary action will not receive ~~severance~~ pay ~~this consideration.~~ The Mayor may grant ~~severance~~ pay consideration in resignation cases when deemed appropriate. The Mayor may grant ~~severance~~ consideration pay greater than one month’s pay upon a determination that such action is in the best interest of the City.

The aforementioned changes more accurately describes the way the City has actually handled these cases in the past. It does not change the way the City has or will handle future events of this nature. It merely uses language to more accurately reflect the action.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

City Administration recommends that the Council approve the amendment to the City Personnel Rules to reflect the language change as proposed to the section currently referred to as "SEVERENCE PAY" under Section 3.04.

Sample Motion

Motion to approve proposed changes to City Personnel Rules.

RESOLUTION 2006-342

WHEREAS, on October 26, 1996, by Resolution 96-294, the City of Grand Island adopted the *City Personnel Rules and Regulations*; and

WHEREAS, the City Council may, by resolution, amend said rules and regulations; and

WHEREAS, Section 3.04 – Resignations, Retirements and Layoffs is hereby amended to read as follows:

~~SEVERANCE PAY CONSIDERATION GIVEN FOR RELEASE OF ALL CLAIMS AGAINST THE CITY~~: Employees with 5 or more years of continuous employment with the City whose employment is terminated by a reduction in force will be entitled to ~~severance consideration~~ equal to one month's pay ~~for the release of all claims against the City~~. Employees who retire or are terminated through disciplinary action will not receive ~~severance pay~~ ~~this consideration~~. The Mayor may grant consideration resignation cases when deemed appropriate. The Mayor may grant ~~severance consideration~~ greater than one month's pay upon a determination that such action is in the best interest of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the amendments to the City Personnel Rules and Regulations as outlined above and hereby approved and adopted.

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Adopted by the City Council of the City of Grand Island, Nebraska on November 28, 2006.

Jay Vavricek, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form _____
November 21, 2006 City Attorney