

# STANDARD PROCEDURE

## CITY OF WILSON

## PERSONNEL MANUAL

SUBJECT	NUMBER	REVISED	EFFECTIVE DATE	SUPERSEDES	PAGE
Longevity Pay	B-3	1	June 1, 2007		1 of 1
Prepared By:	Policy Review Committee		Approved By:	Grant Goings City Manager	

### 1.0 Purpose

To recognize and reward full-time employees for their years of service with the City of Wilson.

### 2.0 Policy

The City Council may appropriate funds for a City Longevity Program to recognize and reward employees who have worked at least five continuous years as a full-time employee.

### 3.0 Scope

Full-time employees **hired prior to July 1, 1994**, are covered by this policy.

### 4.0 Definitions

4.1 Longevity Effective Date: The date on which an employee must have completed the appropriate years of service on or before December 31 of the prior year.

4.2 Longevity Pay: A lump sum payment based on a percentage of base salary paid to full-time employees hired prior to July 1, 1994, who have at least five years of continuous full-time service.

### 5.0 Rules/Procedures

5.1 Longevity payments will be made during the second pay period in November or at an alternate time approved by the City Manager.

5.2 Payments will be based on a percentage of retirement wages for the prior calendar year as follows:

<u>Years of Service</u>	<u>Longevity Percentage</u>
Less than 5 full years of service	No Payment
5 full years but less than 10 full years of service	2.5%
10 full years but less than 15 full years of service	3.5%
15 full years but less than 20 full years of service	4.0%
20 full years but less than 25 full years of service	4.5%
25 full years of service or more	5.0%

5.3 To qualify for longevity in any year a full-time employee must:

5.3.1 Complete the appropriate number of years of service on or before December 31 of the prior year;

5.3.2 Not receive: An overall "Unsatisfactory" performance rating during the 12 months period preceding the longevity payment date, or **two consecutive overall performance ratings of "Needs Improvement"** during the 24 months period preceding longevity payment date.

5.3.3 Be actively employed or on leave with pay when the checks are distributed.

5.4 Full-time employees who retire from the City of Wilson will receive longevity payments for any portion of the calendar year that they worked prior to their retirement date.

5.5 Longevity pay is subject to Federal and State income taxes, FICA, 401k and retirement.