

Council Meeting: June 25, 2026	Prepared By: Nalisha Williams, Assistant City Administrator
Topic: Longevity Pay Policy	Action Required: Direction

Summary

At the June 3, 2026, City Council Special Work Session, the City Council directed staff to explore alternative longevity pay options in place of the previously approved model for police officers, which provides longevity pay of 3% after 10 years, 6% after 15 years, and 9% after 20 years of service.

Based on the comparable cities data, staff developed a proposed longevity pay structure based on the approach used by the City of Rogers. While the City of Rogers model begins after 1 year of service, the proposed City of Corcoran model would begin after 10 years of service. Staff did not include a model based on the City of Orono, as it was understood that Council direction was to not modify employees' base pay rates.

The budget impact is shown below.

Financial/Budget

Projected City Hall and Public Works Longevity Pay - Annual Payment

Year:	Budget Impact (Annual):
2026:	Total about \$9,100 • 4 employees
2027:	Total about \$10,500 • 5 employees
2028:	Total about \$12,000 • 6 employees
2029:	Total about \$15,100 • 9 employees
2030:	Total about \$17,000 • 10 employees

Example: Employee begins employment with the City of Corcoran in 2019. In 2026, they are currently at 7 years of employment. They would not be eligible for longevity pay until 2029, in which if the proposed policy is approved, they would receive an annual payment of \$1,000 in 2029 and an annual payment of \$1,100 in 2030.

Options

Staff recommends that the City Council discuss the proposed Longevity Pay Policy for City Hall and Public Works employees and provide direction to staff.

Staff is seeking direction on the following policy questions:

1. Does the City Council support implementing the proposed Longevity Pay Policy for City Hall and Public Works employees?
2. If the City Council supports the proposed Longevity Pay Policy, what should the effective date be? Because longevity pay would be provided as an annual payment, should the policy become effective in

2026 or 2027?

If the City Council chooses to implement the policy effective in 2026, staff recommends that eligible employees receive longevity pay on the payroll following their full-time employment anniversary date. For eligible employees whose full-time employment anniversaries have already occurred in 2026, staff recommends providing retroactive payments on the next payroll.

Recommendation

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Council Action

Attachments

1. [Annual Longevity Payment Policy Draft.pdf](#)
2. [Comparable Cities Longevity Pay.pdf](#)