

STAFF REPORT**Agenda Item: 2.a**

Council Meeting: June 3, 2026	Prepared By: Nalisha Williams, Assistant City Administrator
Topic: Longevity Pay	Action Required: Direction

Summary

Longevity Pay was approved as part of the collective bargaining agreement at the March 12, 2026 City Council Meeting. This benefit was granted to Licensed Officers with up to 10 years of regular full-time service as a MN POST licensed police officer. Retro-pay was approved back to January 1, 2026. The terms of the benefit are as follows:

- Ten (10) years of full-time service: 3% base wage
- Fifteen (15) years of full-time service: 6% of base wage
- Twenty (20) years of full-time service: 9% of base wage

There are currently 14 total full-time MN POST licensed officers in the Corcoran Police Department (includes 9 union officers and 5 non-union officers).

To maintain equity and consistency in practice across the organization, a Longevity Pay Policy for City Hall and Public Works employees is being presented to the City Council for consideration.

Under the proposed policy, regular full-time employees are eligible for longevity pay based on their years of full-time service with the City of Corcoran according to the following schedule:

Ten (10) Years of Full-Time Service: 3% of base wage

Fifteen (15) Years of Full-Time Service: 6% of base wage

Twenty (20) Years of Full-Time Service: 9% of base wage

Financial/Budget

Staff is looking for direction on the Longevity Pay policy if approved by the City Council. The budget implications for Longevity Pay Policy are listed below.

Approved Longevity Pay Public Safety Officers - 5 Year Impact

Year:	Budget Impact (Annual):
2026 (approved 3.5% COLA):	1/1/2026 Retro-Pay about \$70,000 • 5 officers Ten (10) Years - 3% • 4 officers Twenty (20) Years - 9%
2027 (approved 3% COLA):	Total about \$75,000 - not including OT or specialty pay projection • 4 officers Ten (10) Years - 3% • 1 officer Fifteen (15) Years - 6% • 4 officers Twenty (10) Years - 9%
2028 (approved 3% COLA):	Total about \$82,000 - not including OT or specialty pay projection • 3 officers Ten (10) Years - 3% • 2 officer Fifteen (15) Years - 6% • 4 officers Twenty (10) Years - 9%

2029 (anticipated 3% COLA):	Total about \$86,000 - not including OT or specialty pay projection • 3 officers Ten (10) Years - 3% • 2 officer Fifteen (15) Years - 6% • 4 officers Twenty (10) Years - 9%
2030 (anticipated 3% COLA):	Total about \$93,000 - not including OT or specialty pay projection • 2 officers Ten (10) Years - 3% • 3 officer Fifteen (15) Years - 6% • 4 officers Twenty (10) Years - 9%

Projected City Hall and Public Works Longevity Pay - If Retro Pay Approved to June 6, 2026 (Beginning of Pay Period)

Year:	Budget Impact (Annual):
2026 (approved 3.5% COLA):	6/6/2026 Retro-Pay about \$15,000 (beginning of pay period) - not including OT or specialty pay projection • 1 employee Ten (10) Years - 3% • 2 employees Twenty (10) Years - 9%
2027 (anticipated 3% COLA):	Total about \$37,000 - not including OT or specialty pay projection • 1 employee Ten (10) Years - 3% • 1 employee Fifteen (15) Years - 6% • 2 employees Twenty (20) Years - 9%
2028 (anticipated 3% COLA):	Total about \$41,000 - not including OT or specialty pay projection • 2 employees Ten (10) Years - 3% • 1 employee Fifteen (15) Years - 6% • 2 employees Twenty (20) Years - 9%
2029 (anticipated 3% COLA):	Total about \$49,000 - not including OT or specialty pay projection • 4 employees Ten (10) Years - 3% • 1 employee Fifteen (15) Years - 6% • 2 employees Twenty (20) Years - 9%
2030 (anticipated 3% COLA):	Total about \$55,000 - not including OT or specialty pay projection • 5 employees Ten (10) Years - 3% • 1 employee Fifteen (15) Years - 6% • 2 employees Twenty (20) Years - 9%

Options

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

Staff is looking for direction on the following proposed policy questions:

- 1.) Does the City Council support longevity pay for City Hall and Public Works employees?
- 2.) If the City Council does support longevity pay for City Hall and Public Works employees, what is the effective date of pay?

Recommendation

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

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Council Action

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- 1.) Does the City Council support longevity pay for City Hall and Public Works employees?
- 2.) If the City Council does support longevity pay for City Hall and Public Works employees, what is the effective date of pay?

Attachments

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