

Longevity Pay

Number: G-5

Revision:

Revised Date: 08/01/2019

1.0 POLICY

The Town of Carolina Beach provides Longevity Pay to employees in the following position types: Benefit-Eligible full-Time, Benefit-Eligible part-time, and Roster Specific employees.

2.0 PURPOSE

The intent of Longevity Pay is to recognize eligible employees for their length of service to the Town.

3.0 SCOPE

This policy applies to all Benefit-Eligible employees and some Roster Specific employees.

4.0 DEFINITIONS

- 4.1 **Longevity Pay** – A program provided to recognize and reward the length of service of certain Town employees. Longevity pay is subject to funding as approved as part of the annual budget process.
- 4.2 **Benefit-Eligible** - Full time and part-time employees who are eligible for coverage/participation in the Town’s benefit programs in addition to legally mandated coverage. See **Policy on Position Types**.
- 4.3 **Continuous Service** – is continuous employment, including any approved leave of absence.
- 4.4 **Roster Specific** employees – Those employees who are listed on a specific roster filed with a State agency designating that employee as affiliated with the Town of Carolina Beach. An example of a Roster Specific employee would be a Pay Per Call Firefighter.

5.0 ORGANIZATIONAL RULES

- 5.1 In fiscal years where Longevity Pay is authorized. The amounts shall be as follows:

Continuous Years of Service	Longevity Pay Amount
0 – 2 Years	\$50
3 – 4 Years	\$100
5 – 9 Years	\$250
10 - 14 Years	\$350
15 - 19 Years	\$500
20+ Years	\$750

- A. Each full and part time benefit-eligible employee of the Town shall be eligible for Longevity Pay according to the schedule shown in this policy. Longevity Pay for benefit eligible part-time employees is one-half the amount shown for benefit eligible full-time employees.
 - B. Longevity Pay for Roster Specific employees is a flat \$25 and is not based on years of service to the Town.
- 5.2 In recognition of their years of service to the Town, employees who retire between July 1st and November 30th of a fiscal year, and who meet the criteria for Retirement from the Local Government Employees Retirement System (LGERS) and will immediately begin receiving their retirement benefit from LGERS will be paid out a Longevity Bonus on their last pay check from the Town. The amount of Longevity Bonus will be calculated based on the number of years of service to the Town that the employee will have completed at the time of retirement from the Town. Terminal sick time or vacation time payout cannot be utilized for the purpose of calculating Service under this policy. Only time worked for the Town will be counted as Service time. An employee cannot receive their Longevity Pay as an Active employee, **and** a Longevity Bonus under this policy in the same fiscal year.

6.0 PROCEDURES

- 6.1 Continuous service of eligible employees will be calculated by Payroll as of November 1st of each year.
- 6.2 Longevity Pay will be paid on the second payroll of November. Longevity Pay will be included in the normal payroll cycle and will be paid as Miscellaneous Taxable Wages. Miscellaneous Taxable Wages, when combined with regular wages are not subject to the " Bonus Taxation" outlined in IRS Publication 15, Circular E, Section 7, but rather taxed as if the total were a single payment for a regular payroll period.

7.0 APPENDIX, APPENDICES

None