

**City of Snoqualmie
Incentive Bonus Program
Management & Professional Employees**

Purpose

The purpose of the Incentive Bonus program is to assist departments with retaining highly competent, productive, and innovative employees for which the City of Snoqualmie has concerns of losing talent to other organizations and to convince employees to remain in their current position for a specific amount of time. The incentive bonus is meant to be used selectively when market conditions warrant use and approval in advance by the Mayor.

Scope

Management & Professional Employees

Incentive Bonus Guidelines & Eligibility

Incentive Bonuses shall be assigned by the following classifications: Basic, Essential, and Police & Fire

The use of an incentive bonus shall be recommended to and approved by the Mayor. Recommendations shall be made by the Finance & Human Resources Director.

- The amount of the incentive bonus for classifications shall be:
 - Basic \$3,500
 - Essential \$7,500
 - Police & Fire \$10,000
- There shall be no incentive bonus for employees who have received a sign-on & recruitment incentive in 2022.
- Incentive bonus amounts shall be paid out of the hiring department's budget
- Approved incentives for all classifications shall be paid in three installments per the following schedule:
 - 25% of the incentive will be paid with the December 2022 monthly payroll period for employees who were employed prior to March 1, 2020
 - 25% will be paid with the July 2023 monthly payroll period. For employees not employed prior to March 1, 2020, this will be the first incentive installment. For employees who received the December 2022 incentive installment, this will be the second incentive installment.
 - 50% will be paid with the December 2024 monthly payroll period. For employees not employed prior to March 1, 2020, this will be the second and final incentive installment. For employees who received the December 2022 and July 2023 incentive installment, this will be the final incentive installment.

- If the employee leaves for any reason prior to the any installment payment, they are not entitled to the remaining incentive payments, nor will they be required to pay back any portion of the incentive already received
- All employees in regular full-time or pro-rated part-time positions are eligible to receive an incentive bonus except for the Mayor, Councilmembers and City Administrator.

Tax Considerations

Retention incentives are considered taxable income and shall be added to the recipient's compensation in the calendar year in which payment is received. The City shall deduct all applicable payroll taxes from incentives accordingly.