

ADMINISTRATIVE REGULATION
REPLACING AND REPEALING AR 23-03 EMPLOYEE RETENTION PAY INCENTIVE

Section 1. Purpose

With the goal of retaining motivated and valued employees, an annual incentive payment designed to reward each year of service an employee provides to the City of Hobbs as they further their career is being instituted with this administrative regulation. Retaining valued employees is vital to the City's servant mindset in our continual attempts to improve the delivery of essential services.

Section 2. Eligibility Requirements

- a. Employee must complete each year of employment based on their anniversary date, be benefit eligible (regular employee – part-time or full-time), and be employed at the time of payment disbursement, no exceptions. Per Section 2.56 of the Personnel Rules, an anniversary date means the annual anniversary of the date when an employee first became a regular employee and became eligible for leave, pension, and other benefits. Also known as a permanent date. This date does not change upon an employee transferring between City departments and would remain constant for the purposes of retention payments based on this administrative regulation.
- b. Eligibility for a retention incentive will be based on the employees first nine (9) years of their employment. The employee will receive the final retention incentive at the completion of their ninth year.
- c. Employee will only be eligible for nine total retention incentive payments, regardless of re-employment, and will graduate to the Longevity Program with their completion of employment year number ten (10) based on consecutive years of service.
- d. Employees will only be eligible for one retention incentive payment per year. The retention incentive payment will be associated with this administrative regulation or through an individual employees' contractual agreement, if applicable.

Section 3. Amount

Every employee who meets the eligibility requirements set forth in Section 2 whose anniversary date falls on July 1, 2025 or any date thereafter shall receive an incentive in the following amounts based on years of service. This payment will be subject to applicable taxes and other deductions.

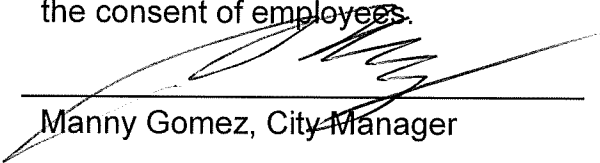
- One (1) to three (3) completed years of service: \$600.00 per year
- Four (4) to six (6) completed years of service: \$750.00 per year
- Seven (7) to nine (9) completed years of service: \$900.00 per year

Section 4. Payment Process

On a pay period basis, the Human Resources Department shall notify the Finance Department as to which employees qualify for the retention incentive. Payment to the employee will be made on the first full pay period after the employee's anniversary date and will be distributed with the normal check disbursements of the bi-weekly pay day.

Section 6. Program Continuation and Right to Change

This administrative regulation is subject to the annual budget process. The City of Hobbs, through the City Manager, reserves the right to interpret, change, modify, amend, or rescind this administrative regulation, in whole or in part, at any time without the consent of employees.


Manny Gomez, City Manager

7/10/25
Date

By signing below, I acknowledge that I have read AR 25-01. I was given the opportunity to ask questions to ensure my full understanding.

Printed Name & ID: _____

Department: _____

Signature

Date