

Side Letter Agreement – Longevity Pay

**Side Letter Agreement
Between
The City of Stockton and the Stockton Firefighters' Local 456 (Fire Mgmt. Unit)
Effective September 1, 2025 through March 31, 2034**

Longevity Pay

This will confirm an understanding reached between the City of Stockton (hereinafter referred to as "City") and the Stockton Firefighters' Local 456 (hereinafter referred to as "Fire Mgmt. Unit").

In an effort to address retention of Fire Mgmt. Unit employees, the City and the Fire Mgmt. Unit have met and conferred and agree on the following:

1. Longevity Pay
 - a. Lump Sum Payment. For qualifying employees who were employed as of July 1, 2025 and who are in paid status as of September 1, 2025, the City will provide a one-time lump sum payment equivalent to two months of longevity pay to all eligible employees, which will be paid as soon as administratively possible. This payment represents compensation for longevity earned during the period of July 1, 2025 to August 31, 2025, based on the employees' length of service with the City, as defined in eligibility criteria in section 1.b below. This payment will be reported as longevity pay and allocated to the corresponding pay periods in which it was earned. Longevity pay will continue to be provided on an ongoing basis as outlined in this Side Letter.
 - b. Eligibility criteria:
 - (1) Employees with five (5) years of paid service with the City shall receive additional compensation in the amount of two percent (2.0%) above their hourly rate of pay, paid on a per pay period basis.
 - (2) Employees with ten (10) years of paid service with the City shall receive an additional two percent (2.0%) above their hourly rate of pay (four percent (4%) combined total), paid on a per pay period basis.
 - (3) Employees with fifteen (15) years of paid service with the City shall receive an additional two percent (2.0%) above their hourly rate of pay (six percent (6%) combined total), paid on a per pay period basis.
 - (4) Employees with twenty (20) years of paid service with the City shall receive an additional two percent (2.0%) above their hourly rate of pay (eight percent (8%) combined total), paid on a per pay period basis.

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2. The parties agree to execute this side letter with the mutual understanding that it is the intent of both parties for longevity pay to remain an ongoing component of employee compensation. For the period of July 1, 2025 through June 30, 2026, the City will fund longevity pay using one-time reserves. While permanent ongoing funding has not yet been identified, the City will make every effort to ensure the continuation of longevity pay in subsequent years. Continuation will remain in place unless circumstances make funding unsustainable. If such circumstances arise, the City will meet and confer with the Union in good faith to explore options for maintaining longevity pay. If no mutually acceptable solution is reached, the City Manager will make a final determination on funding availability, taking into account the information and input provided during the meet-and-confer process.
3. Limited Term of Side Agreement: This side letter agreement shall be effective on September 1, 2025 and cease to be operative no later than 11:59 p.m. on March 31, 2034 unless the parties agree to conclude it earlier or extend this side letter by mutual agreement at any time. The provisions of this side letter are not subject to the grievance process.

FOR THE CITY:**FOR THE FIRE MGMT. UNIT:**_____
Will Crew, Acting City Manager_____
Timothy K. Talbot, Fire Unit Negotiator

Date: _____

Date: _____

Chad Reed, Deputy City Manager, ASD_____
Devin Robson, President, Local 456

Date: _____

Date: _____

Rosemary Rivas, Director of HR

Date: _____

Lori Asuncion, City Attorney

Date: _____