

Side Letter Agreement
between the County of Monterey and
County Employee Management Association (CEMA) Unit X
Regarding *Longevity Pay*

The County of Monterey underwent a Longevity Pay audit by CalPERS in 2025. The results of this audit indicated that the requirement of a longevity pay eligibility form did not adhere to CalPERS and PERL requirements and deemed the longevity pay non-persable. However, the intent of the Longevity Pay when negotiated by the County and the Union was that Longevity pay would be persable.

It is understood that the County will remove the requirement of the Longevity Pay Certification Form retroactively to December 31, 2022, consistent with the effective date of the longevity pay stipend for this bargaining unit and that such longevity pay will be initiated by the County once eligibility has been met and confirmed with no further action from the employee.

As such, the County and CEMA agree to modify the Memorandum of Understanding language for terms 2022-2024 and 2025-2027 as follows to correct the issue and ensure Longevity Pay is persable:

Memorandum of Understanding term 2022-2024 modifications

ARTICLE 8 SPECIAL PAYS

8.9 Longevity Pay

A. Unit X Longevity

Permanent unit employees, who accrue:

- Ten (10) consecutive years of service, shall receive a premium pay of two and a half percent (2.5%) of their base wage.
- Fifteen (15) consecutive years of service, shall receive a premium pay totaling three and a half percent (3.5%) of their base wage.
- Twenty (20) consecutive years of service, shall receive a premium pay totaling five percent (5.5%) of their base wage.

Consecutive service years include service time worked as a permanent employee as long as there was no break in service greater than four (4) pay periods. Time while on protected leave(s) is considered for service credit. Service time of less than 1.0 FTE shall be pro-rated based on FTE.

The Longevity premium pay will be reported in accordance with PERS regulations section 571A. Elected Annual Leave Cash Out values will be inclusive of the longevity pay.

Employees shall receive the Longevity Pay the first full pay period after they become eligible for any of the tiers listed above.

Eligible employees are required to complete and submit the required form to their respective Human Resources Department at least two (2) weeks prior to the employee's eligible date to

~~ensure that the premium pay is processed in a timely manner. Retroactive payments will not be processed for those forms submitted late by the employee.~~

Memorandum of Understanding term 2025-2027 modifications

ARTICLE 8 SPECIAL PAYS

8.9 Longevity Pay

A. Unit X Longevity

Permanent unit employees, who accrue:

- Ten (10) years of County service shall receive a premium pay of two and a half percent (2.5%) of their base wage.
- Fifteen (15) years of County service shall receive a premium pay totaling three and a half percent (3.5%) of their base wage.
- Twenty (20) years of County service shall receive a premium pay totaling five percent (5.5%) of their base wage.

Years of service include service time worked as a permanent employee. Time while on protected leave(s) is considered for service credit. Service time of less than 1.0 FTE shall be pro-rated based on FTE.

The Longevity premium pay will be reported in accordance with PERS regulations section 571A. Elected Annual Leave Cash Out values will be inclusive of the longevity pay.

Employees shall receive the Longevity Pay the first full pay period after they become eligible for any of the tiers listed above.

~~Eligible employees are required to complete and submit the required form to their respective Human Resources Department at least two (2) weeks prior to the employee's eligible date to ensure that the premium pay is processed in a timely manner. Retroactive payments will not be processed for those forms submitted late by the employee.~~

This agreement is effective the first full pay period following approval by the Monterey County Board of Supervisors and CEMA and incorporated into the Unit X MOU terms 2022-2024 and 2025-2027.

For County of Monterey:

Signed by:

Ariana Hurtado

6/16/2026

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For CEMA:

Signed by:

Jonathan Brown

6/16/2026

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