Distributed via email to ESC on 5/18/2023

**TENTATIVE AGREEMENT**

**ARTICLE 5:** **SALARIES**

5.3 Salary Increases

5.3.1 Market Adjustments

Effective the pay period that begins May 30, 2023, contingent on Board adoption by June 6, 2023: The County will increase the A-I Steps of each ESC represented benchmark classification by the percentage specified in Appendix A.1. The County will concurrently increase the A-I Steps of each ESC represented non-benchmark classification salary scale based on the County’s internal salary administration alignments.

No salaries will be reduced as a result of these adjustments.

5.3.2 Cost of Living Adjustments

During the three-year Agreement, the County will provide three salary adjustments for ESD represented classifications. The effective dates and amounts of the cost of living adjustments are as follows:

Effective June 13, 2023: The County will increase by five percent (5%) the A-I Step of each scale in the Salary Table specified in Appendix A and attached to this Agreement.

Effective April 2, 2024: The County will increase by four percent (4%) the A-I Step of each scale in the Salary Table specified in Appendix A and attached to this Agreement.

Effective April 1, 2025: The County will increase by four percent (4%) the A-I Step of each scale in the Salary Table specified in Appendix A and attached to this Agreement.

The following language is for historical reference only and does not apply to salary increases in the 2023-2026 Agreement. Any future application of the formula below will be subject to negotiations between the parties.

During the 2019-2023 Agreement, the County provided four salary adjustments for ESC represented classifications. The effective dates and amounts of the cost of living adjustments were as follows:

Effective August 13, 2019: The County increased by three percent (3%) the A-I Step of each scale in the Salary Table specified in Appendix A and attached to this Agreement.

Effective April 7, 2020: The County increased by three percent (3%) the A-I Step of each scale in the Salary Table specified in Appendix A and attached to this Agreement.

Effective April 6, 2021 and March 22, 2022: For salary increases for years 3 and 4 of the 2019-2023 Agreement, the County increased the A-I Step of each scale in the Salary Table by at least two percent (2%) and not more than four percent (4%). The actual amount of the increase each year within 2% and 4% was determined by the lesser amount of the two following calculations:

* The San Francisco-Oakland-Hayward All Urban Annual Consumer Price Index (CPI-U) issued by the Bureau of Labor Statistics in January 2021 and January 2022 for the preceding December percentage change from December of the prior year.
* The County’s actual annual growth percentage of secured property taxes collected between fiscal years 2018-19 and 2019-20 for year 3 salary adjustment; and between fiscal years 2019-20 and 2020-21 for year 4 salary adjustment, divided by 1.5, respectively.

5.4 Hourly Cash Allowance

The County shall pay each permanent full and part time employee, in addition to their hourly regular earning rate from the salary schedule, a cash allowance of $3.45 per pay status hour that the employee is in paid status excluding overtime, up to a maximum of eighty (80) hours in a pay period (or approximately a maximum of $600.00 per month).

Such hourly cash allowance is compensation for services rendered in that pay- period and shall be taken into account for the purposes of computing employees' final compensation for pension purposes, as well as all usual taxation as their regular earning rate from the salary schedule. It shall not be included on the salary schedule and shall not be impacted by future increases on the salary schedule. It is not intended as a supplement toward medical, dental, or any other insurance or benefit.

Effective the pay period that begins July 11, 2023, the County will increase the current “I” step of each job classification in the Salary Table specified in Appendix A by $3.45/hour. The County will then recalculate each salary range/salary scale in Appendix A from the adjusted “I” step in order to maintain an approximate 2.5% differential between salary steps consistent with the definition of “Salary Scale” as defined in Article 2: Definitions.

Concurrently (i.e. effective July 11, 2023), the County will reduce the hourly cash allowance to $0.00 per pay status hour that the employee is in paid status, excluding overtime, up to a maximum of 80 hours in a pay period.

Effective the first full pay period in July 2023 and July 2024, each regular, full-time employee hired prior to June 30, 2023, who on the last day of the pay period are in a step below the “I” step of the salary scale, shall receive a one-time, non-recurring, pensionable lump sum payment in the amount listed below:

|  |  |  |
| --- | --- | --- |
| Salary Step as of  June 30, 2023 | Payment  July 2023 | Payment  July 2024 |
| A Step: | $1,268.80 | $811.20 |
| B Step: | $1,123.20 | $540.80 |
| C Step: | $977.60 | $374.40 |
| D Step: | $832.00 | $208.00 |
| E Step: | $665.60 | $20.80 |
| F Step: | $499.20 | N/A |
| G Step: | $332.80 | N/A |
| H Step: | $166.40 | N/A |

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County Signature Date:

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ESC Signature Date: