

IBEW Cost of Living Adjustment Letter 7-29-2022 TA



J.I.



K.C.

June 26, 2022

Mr. Paul T. Wright
Chairman, System Council T-3
President/Business Manager/Financial Secretary
International Brotherhood of Electrical Workers Local Union 21
4701 Auvergne Avenue, Lisle IL. 60532

Re: Cost of Living Adjustment

Dear Mr. Wright:

This letter confirms the agreement reached between AT&T Midwest, AT&T Corp., and AT&T National (“Company”) and International Brotherhood of Electrical Workers, System Council T3 (“Union”) (collectively “Parties”) during negotiations for a 2022 Collective Bargaining Agreement (“CBA”) concerning a Cost-of-Living Adjustment (“COLA”) for one year of the CBA.

Effective June 23, 2024, an adjustment will be made in basic weekly rates in each wage schedule. The amount of the adjustment shall be 0.5 times the increase above three percent (3%) in the U.S. Department of Labor Statistics “CPI-W” (1982-84 = 100) for December 2023 over December 2022. The adjustment, if any, will be added to the 2024 general wage increase and applied exponentially with no change to starting wages. However, in no event shall the wage increase for 2024 exceed 3.25% in total.

In addition to the above-described adjustment, employees on the payroll on February 1, 2024 will be paid a lump sum, if any, calculated as 0.5 times the increase above four and one-half percent (4.5%) in the U.S. Department of Labor Statistics “CPI-W” (1982-84 = 100) for December 2023 over December 2022 multiplied by the employee’s annualized base weekly wage rate as of February 1, 2024 (weekly rate x 52 weeks). However, in no event shall the lump sum exceed three quarters of one percent (0.75%) of such annualized base weekly wage rate. Employees must be on payroll on the date of the payment to receive the lump sum which will be paid as soon as practicable following February 1, 2024.

Example of how the adjustment and lump sum, where applicable, will be calculated are as follows:

Example for the GWI adjustment:

December 2022 CPI-W = 307.4

December 2023 CPI-W = 324.3

Wage Schedule XXX – Top Step as of June 25, 2023 - \$1635.00 per week

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COLA adjustment =
$$\begin{aligned} & \left(\left[\frac{\text{December 2023 CPI-W}}{\text{December 2022 CPI-W}} - 1 \right] - 0.03 \right) \times 0.5 = \\ & \left(\left[\frac{324.3}{307.4} - 1 \right] - 0.03 \right) \times 0.5 = \left([1.055 - 1] - 0.03 \right) \times 0.5 = \\ & (0.055 - 0.03) \times 0.5 = 0.025 \times 0.5 = 0.0125 \text{ or } 1.25\% \text{ (round the} \\ & \text{percentage to the nearest two decimal points)} \end{aligned}$$

Adjusted GWI = $0.025 + .0125 = 0.0375$ or 3.75%. Since the cap is 3.25% the adjusted GWI is 3.25%

New wage schedule = $\$1635.00 \times 0.0325$ (3.25%) = \$53.13
= $\$1635.00 + \$53.13 = \$1688.14$.
= \$1688.00 (round to the nearest 50 cent)

Example for the Lump Sum:

December 2022 CPI-W = 307.4
December 2023 CPI-W = 324.3
Weekly Wage as of February 1, 2024 - \$1635.00 per week

Lump Sum % =
$$\begin{aligned} & \left(\left[\frac{\text{December 2023 CPI-W}}{\text{December 2022 CPI-W}} - 1 \right] - 0.045 \right) \times 0.5 \\ & = \left(\left[\frac{324.3}{307.4} - 1 \right] - 0.045 \right) \times 0.5 = \left([1.055 - 1] - 0.045 \right) \times 0.5 \\ & = (0.055 - 0.045) \times 0.5 = 0.01 \times 0.5 = 0.005 \text{ or } 0.5\% \text{ (round the percentage} \\ & \text{to the nearest two decimal points)} \end{aligned}$$

Lump Sum Amount = (Weekly Base Wage x 52) x Lump Sum %
= $(\$1,635 \times 52) \times 0.5\%$
= $\$85,020 \times 0.5\% = \425 (round to the nearest dollar)

The commitments contained in this letter will last until January 1, 2025.

Sincerely,

Randall S. White
Vice President – Labor Relations

Acknowledge and Agreed:

Mr. Paul T. Wright

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