

**SIDE LETTER OF AGREEMENT**  
**BETWEEN**  
**THE TOWN OF LOS GATOS AND AFSCME**

On August 6, 2024, the Los Gatos Town Council approved the Memorandum of Understanding (MOU) between the Town of Los Gatos (Town) and the American Federation of State County and Municipal Employees (AFSCME) for the period of July 1, 2024 through June 30, 2027.

Per the MOU at Section 10.1, the Parties agreed that effective the first full pay period of July 2026, the Town will provide a four percent (4%) salary increase for all AFSCME bargaining unit classifications.

In the time since the Council's approval of the 2024-2027 AFSCME MOU, the parties discovered the salary schedule set forth at Appendix A for Fiscal Year 2026-2027 was calculated in error to reflect a five percent (5%) salary increase in lieu of the agreed-upon four percent (4%) salary increase applicable to AFSCME classifications for Fiscal Year 2026-2027.

Having met and conferred on the error and how to best address the error, the Town and AFSCME agree that;

1. The attached Salary Schedule for Fiscal Year 2026-2027 correctly states the salary increase effective the first full pay period of July 2026; and
2. The attached Salary Schedule should be included in Appendix A of the 2025-2027 AFSCME MOU and the erroneous salary schedule should be removed and discarded.

**IT IS HEREBY AGREED.**

For the Town of Los Gatos

For AFSCME

\_\_\_\_\_ Date

\_\_\_\_\_ Date