

TO: Mayor and Council
FROM: Kate Thunstrom, City Administrator
SUBJECT: 2023 COLA
DATE: November 6, 2023

OVERVIEW:

At the Work Session on June 27, 2023, Council discussed the 2024 non-union cost of living increase. The work session packet included the following data;

COLA for 2024 for non-union employees

Several pieces of data are used to set the non-union rate. This includes reviewing the Governors salary cap, transitory inflation and consumer price index. It has been compared to bargaining units in the past, however that is difficult as those contracts provide other benefits that non-union staff do not receive beyond the COLA.

Here is what we know:

	<i>Consumer Index</i>	<i>Transitory</i>	<i>Governor Salary Cap</i>	<i>SF COLA awarded</i>
2021	4.7%	3.92%	1.2%	2.75
2022	8.0%	5.89%	6.2%	3.0
2023	5.8%	5.6%	7.7%	3.0
2024	Predictions indicate 3.6% to 4.3%			

An issue that comes with not keeping up with general inflation is that our salary scales will fall behind and decrease our ability to be competitive when hiring. Several cities are in the process of conducting wage studies to ensure they are in a competitive market. St. Francis has not completed a wage study since 2007.

At that time, it was decided that a 3% COLA salary adjustment for non-union staff would be considered for the 2024 calendar year.

For disclosure, the City Administrator is considered part of the non-union staff.

ACTION TO BE CONSIDERED:

Motion to approve a 3% cost of living adjustment for non-union staff.