

November 4, 2025

**ITEM:** New Business – Resolution 11.25.03: Authorizing Adjustment to Cost-of-Living Adjustment (COLA) to Take Effect December 1, 2025

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**BACKGROUND:** The attached resolution authorizes the COLA adjustment to take effect December 1, 2025. Historically, the city has implemented the annual cost-of-living adjustment (COLA) on January 1 of each year. However, employee benefits, including health, dental, vision, and other insurance coverages, renew and adjust on December 1 annually. Shifting the COLA effective date to December 1 will better align employee compensation with changes in total benefit costs. In addition, this change will improve administrative efficiency. Implementing the COLA effective December 1 annually, allows payroll staff to complete all system updates and testing prior to the start of the new calendar, reducing workload during year-end processing and ensuring accurate payroll and benefit records.

**ACTION REQUESTED:** Approve/Deny Resolution.