RESOLUTION NO.: 11.25.03

State of Minnesota County of Watonwan

## **RESOLUTION NO. 11.25.03**

## RESOLUTION AUTHORIZING ADJUSTMENT TO COST-OF-LIVING ADJUSTMENT (COLA) TO TAKE EFFECT DECEMBER 1, 2025

**WHEREAS**, the City of St. James provides an annual cost-of-living adjustment (COLA) for its employees to maintain competitive compensation and recognize inflationary impacts; and

**WHEREAS,** the effective date for COLA has historically been January 1 of each year; and

WHEREAS, the city's employee benefit programs, including health, dental, vision, and other insurance coverages, renew and adjust annually on December 1, resulting in changes to total compensation costs prior to the current COLA effective date; and

**WHEREAS**, aligning the COLA effective date with the annual benefit renewal date will support consistent and balanced total compensation for employees; and

**WHEREAS**, this adjustment will also improve internal efficiency by allowing payroll staff to complete all updates and system testing prior to the start of the new year calendar year, ensuring accuracy in year-end processing and reporting.

## NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ST. JAMES, MINNESOTA, as follows:

- 1. The effective date for the 2026 annual cost-of-living adjustment (COLA) shall be changed from January 1, 2026, to December 1, 2025.
- 2. This revised effective date shall continue for future years unless otherwise modified by City Council action.
- **3.** Staff are authorized to implement all necessary payroll and administrative updates in accordance with this change.

| Adopted by the City Council this 4 <sup>th</sup> day of November 2025. |                              |
|--|------------------------------|
| Attest:  | Christopher Whitehead, Mayor |
| Kris Hurley, City Clerk  |                              |