

REQUEST FOR COUNCIL ACTION

Date: October 21, 2013

Item No.: 13.a

Department Approval

Interim City Manager Approval



Item Description: Consider Policy on Annual Staff Cost of Living Adjustments

1 **BACKGROUND**

2 As requested by the City Council, staff has prepared language for a Council policy on city staff
3 cost of living adjustments. During the September 9, 2013 meeting the Council requested that
4 staff prepare a policy that would use the Consumer Price Index (which is a measure of the
5 average change over time in the prices paid by urban consumers for a market basket of consumer
6 goods and services) as the basis for staff cost of living adjustments annually.

7 **Policy Language:** Annually, during budget discussions, the City will provide any cost of living
8 wage adjustments as deemed necessary by utilizing the Bureau of Labor Statistics (BLS) site for
9 the CPI of urban consumers in the Minneapolis/St. Paul area for the previous fiscal year as the
10 basis. This percentage will be rounded to the nearest tenth of a percent.

11
12 Using this methodology, the BLS CPI – U for the previous fiscal year from July 2012 through
13 July 2013 for consideration of the January 2014 COLA then is 2.05% or rounded to 2.1% as
14 shown in attachment A

15 **POLICY OBJECTIVE**

16 To deliver a wage system and structure that is fair and equitable while allowing Roseville to
17 attract and retain quality staff in the marketplace.

18
19 **BUDGET IMPLICATIONS**

20 The current budget for 2014 already has 2% set aside for wage adjustments.

21 **STAFF RECOMMENDATION**

22 Staff recommends that the City Council move ahead with a policy and budget decision at this
23 time. Therefore staff recommends the following:

- 24
25 1. Implement the City Council compensation policy to be utilized moving forward.
26
27 2. Approve the 2014 cost of living adjustment utilizing the the 2.1% as indicated using the new
28 policy.

29 **REQUESTED COUNCIL ACTION**

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31 Consider adopting the compensation policy as laid out above and approve the 2.1% wage
32 adjustment for January 1, 2014 for staff as indicated by the new policy.

Attachments: A: BLS Minneapolis/St. Paul CPI - U

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Consumer Price Index - All Original Data Value

Series Id: CUURA
Not Seasonally Adjusted
Area: Minneap
Item: All items
Base Period: 1982-
Years: 2003 to 2013

Year	Annual	HALF1	HALF2	12-Month Difference	%
2003	182.7	181.7	183.6		
2004	187.9	186.6	189.2		
2005	193.1	192.4	193.9		
2006	196.2	195.1	197.3		
2007	201.247	200.627	201.867		
2008	208.958	208.284	209.632		
2009	207.889	206.167	209.611		
2010	211.728	210.965	212.492		
2011	219.339	217.374	221.304		
2012	224.459	223.880	225.038		
2013		228.473		4.593	2.05%