



# City of Grand Island

Tuesday, July 21, 2020

Study Session

## Item -4

### **Discussion Regarding Cost-of-Living (COLA) Increases for Non-Union Employees**

Staff Contact: Patrick Brown

# Council Agenda Memo

**From:** Patrick Brown, Finance Director

**Meeting:** July 21, 2020

**Subject:** Discussion of Proposed Cost of Living/Comparable Compensation Costs

**Presenter(s):** Patrick Brown, Finance Director

## Discussion

During the July 14<sup>th</sup> Budget Work Session, there was some discussion regarding the Cost of Living Adjustment (COLA) and comparable compensation for non-union members. Tonight's discussion will be primarily focused on General Fund costs however this would affect non-union employees in the Enterprise Funds as well.

The COLA would move current compensation closer into alignment with other municipalities of similar size in our Metropolitan Statistical Area. Those municipalities include;

- Ames, IA
- Sioux City, IA
- Iowa City, IA
- Rapid City, SD
- St. Joseph, MO
- Jefferson City, MO
- Lawrence, KS
- Manhattan, KS

The proposed adjustment minimizes pay inequities within the organization and future catchup costs.

Below is a table illustrating different combinations of COLA's with corresponding cost savings to the General Fund.

<b>ADJUSTMENT</b>	<b>COST</b>	<b>SAVINGS</b>
2% COLA	\$ 193,305.44	
1.5% COLA/.5% PENSION	\$ 184,102.87	\$ (9,202.57)
1% COLA/1% PENSION	\$ 174,692.90	\$ (18,612.54)
.5% COLA/1.5% PENSION	\$ 165,074.80	\$ (28,230.64)