



MEMORANDUM

To: Mayor and City Councilors
From: Sarah Blanchard, Finance Director
Date: May 23, 2013
Re: Consideration – Proposed COLA for City Employees in FY 2013-2014

During the Finance Committee meeting held on May 23, 2013, there was discussion regarding a cost of living adjustment for employees for fiscal year 2013-2014. It was recommended by the Finance Committee that a 1.5% COLA be forwarded to the City Council for consideration.

The dollars associated with a 1.5% COLA, including benefits is:

General Fund	\$143,368
Electric Fund	25,807
Water & Sewer Fund	24,883

To fund the General Fund portion, discussion included adding back the fund balance appropriated initially included in the budget (\$136,659) and using a portion of the funds allocated to contingency (\$51,706).

The COLA for the Electric and Water & Sewer Funds employees would be funded in their respective funds through revenue adjustment.