



DATE: December 3rd, 2024
TO: Mayor and Members of Council
FROM: Ron Reymer, Chief Administrative Officer/Clerk
REPORT NO.: CAO-19-2024
SUBJECT: 2024 COLA Adjustment

Recommendation:

THAT Report CAO-19-2024, be received for information;

AND FURTHER that Council direct staff to update the current Municipal Salary Grid by applying a 2% Cost of Living Adjustment (COLA) effective January 1st, 2025.

Purpose:

To provide a report to Council in regards to the proposed annual inflationary adjustment to the Municipal Salary Grid.

Background:

Lucan Biddulph undertook a comprehensive compensation review in 2023 and adopted an updated salary grid effective January 1st, 2024. Compensation reviews are usually completed every five years. To ensure that the new salary grid remains current, a Cost of Living Adjustment, or COLA, is applied on a yearly basis to ensure that the salary grid remains current.

Council's past practice has been to adjust the annual salary grid by the published CPI for the month of November.

The CPI published for the month of November 2024, which reflects the October 2023 – October 2024 time period, was 2%. Monthly CPI figures during 2024 ranged as follows:

January	2.9%	February	2.8%
March	2.9%	April	2.7%
May	2.9%	June	2.7%
July	2.5%	August	2%
September	1.6%	October	2%

Some local municipalities have either already adjusted their salary grids for 2024 as follows, or have it in their unapproved budget:

- Middlesex Centre 2%
- Thames Centre 3%
- North Middlesex 2.7%
- County of Middlesex Not yet set
- Adelaide-Metcalf 2%
- Southwest Middlesex 3%
- Perth South 3.13%

It should be noted that the COLA adjustment also affects Council's salaries but not their per diems.

Impact to Budget:

The financial impact of a 2% COLA adjustment to the salary grid is estimated at \$39,000.

Strategic Plan:

This matter aligns with the following strategic priorities:

- Strategic Direction One, Service Enhancement. Goal #3 Premier Employer Action #4 (Actively instill a positive workplace environment and culture at the Township & pride in the Community).

Attachment: Excel Spreadsheet

Ron Reymmer

Chief Administrative Officer/Clerk