

*Request for Decision United Townships of Head, Clara & Maria Council*

Type of Decision									
Meeting Date	Thursday, December 19, 2019				Report Date	Wednesday, December 4, 2019			
Decision Required	X	Yes		No	Priority		High	X	Low
Direction	X	Information Only			Type of Meeting	X	Open		Closed
Report #19/12/19/1102 - COLA and CPI Increase									

**SUBJECT:**

Review of the annual cost of living increase for contracts, salaries and honorarium.

**RECOMMENDATION:**

**WHEREAS** Council policy and past practise has been to award cost of living adjustments to staff salary, municipal contracts and council honorarium when the October to October Consumer Price Index surpassed 1%;

**AND WHEREAS** numbers for Ontario show an increase of 1.9% for 2018-2019;

**THEREFORE BE IT RESOLVED THAT** the Council of the United Townships of Head, Clara & Maria does hereby authorize that the 1.9% cost of living adjustment based on the October to October Statistics Canada’s Consumer Price Index for Ontario be applied to all applicable salaries, honoraria and contracts effective January 1, 2020.

**BACKGROUND/EXECUTIVE SUMMARY:**

Cost of Living Allowance adjusts salaries and benefits to keep pace with inflation and changes in the cost to live. It is based on the Consumer Price Index which measures changes in the average price of products and services typically consumed by Canadian families. It also assists in keeping salary gaps from further widening. Historically, Stats Canada year to year consumer price index percentage has been used to increase compensation for Council, staff salaries and municipal contracts. It has not been awarded when lower than 1%. The 2018-2019 October to October is 1.9%. **Cost of Living Allowance adjustments are unrelated to performance.**

**Financial Considerations/Budget Impact:**

	1.9% increase
Council Honoraria	600
Staff Salary	\$5050
Municipal Contracts	\$835
<b>Approximate Total Cost to Municipality of Implementing COLA for 2020 at 1.9%</b>	<b>\$6485</b>

**Others Consulted:**

StatsCan <http://www.statcan.gc.ca/tables-tableaux/sum-som/l01/cst01/cpis01g-eng.htm>

<b>Approved and Recommended by the Clerk</b>
Crystal Fischer, Clerk - Treasurer