



**TOWNSHIP OF EDWARDSBURGH CARDINAL
ACTION ITEM**

Committee: Committee of the Whole – Administration and Operations

Date: December 4, 2023

Department: Finance

Topic: 2024 COLA Approval

Purpose: To approve the 2024 COLA for union and non-union staff

Background: As part of the Personnel Policy – Bylaw 2015-22, non-union staff salaries are adjusted with an annual Cost of Living Adjustment (COLA). The COLA is determined by the annual OMERS pension annual increase. In 2023, this amount was 6%. Council opted for a 3% increase for union and non-union members. For union members as part of the collective bargaining agreement, 2024 salaries will increase by 1.75% or COLA whichever is greater.

OMERS has set the 2024 pension inflation increase to **4.93%**. Union salaries will be increased on January 1st by this amount.

For reference, below is selected data from other Treasurers as to what the increases were for 2023 and what will be presented for 2024. A total of 76 municipalities participated in the informal survey. Rideau Lakes and Augusta base their COLA on October CPI which was 3.8%.

	2023	2024 - proposed	Total
Rideau Lakes	6.00%	3.80%	9.80%
South Dundas	5.20%	3.00%	8.20%
Augusta	6.00%	3.80%	9.80%
Front of Yonge	5.00%	5.00%	10.00%
Edwardsburgh/Cardinal (Union and Non-Union)	3.00%	4.93%	7.93%
Union Average (25 Municipalities)	2.72%	2.91%	5.63%
Non-Union Average (51 Municipalities)	3.79%	3.31%	7.10%

While the increase for 2024 is slightly above average, the Township was significantly below for 2023. Inflation has started to slow and expected to reach target levels in 2024. This should regulate the COLA for future years back to original levels of 1-2%.

Policy Implications: All financial items over \$75,000 require Council approval.

Financial Considerations: Based on current staffing levels, the COLA will add approximately **\$142,955.11** to the 2024 salary budget.

Recommendation: That Committee recommend that Council approve the 2024 COLA increase of 4.93% for all union and non-union staff, effective January 1, 2024.



Treasurer



CAO