

TRUCKEE TAHOE AIRPORT DISTRICT  
BOARD OF DIRECTORS AGENDA ITEM SUMMARY

Topic: **Cost of Living Adjustment**

Purpose	Information:	Guidance:	Decision: <b>X</b>
Recommendation	Approve an adjustment to the District's wage scale to reflect the 1.5% increase in the West B/C "All Urban Consumers" CPI for the twelve month period ended 6/30/2012.		
Last Action	The last COLA adjustment to the District's wage scale was effective October 1, 2011 (a 3.5% increase).		
Discussion	<p>Although approved at the April 2011 meeting, the wage scale that was developed by Archer was not implemented until the beginning of the 2011-2012 fiscal year. As the data used to create the wage scale was over a year old when it was put in use, a cost of living adjustment was made to it before it was put into use. At the time of the approval it was determined that cost of living increases would be reviewed at the same time each year – during the budgeting process – with any adjustment being effective with the new fiscal year (October 1).</p> <p>The District uses the Consumer Price Index – West B/C (areas of less than 1.5 million in population). The change in that index from June of 2011 to June of 2012 was an increase of 1.5%, and that factor will be applied to the wage scale.</p>		
Fiscal Impact	The new wage scale will be used in the upcoming budget. It will result in a 1.5% increase in the "salaries and wages" section. In addition, any expenses that are based on wages will increase. That would include: PERS contributions, payroll taxes, and workers' compensation insurance.		
Communication Strategy	If passed, the employees will be notified that the new wage scale will take effect October 1, 2012. They will be informed via email if the wage scale is adjusted and will receive a copy of it.		
Attachments	<p>Consumer Price Indexes Pacific Cities and U.S. City Average – June 2012</p> <p>Pay Scale - Adopted 8/25/2011</p> <p>Pay Scale - As adjusted for 1.5% COLA increase</p>		