



## Buncombe County Board of Commissioners

### Request for Board Action

Meeting Date: 2/2/2021

#### New Business

**Department:**

Budget

**Presenter(s):**

Jennifer Barnette, Budget Director

**Contact:** Jennifer Barnette, Budget

**Subject:** FY2022 Cost of Living Adjustment

**Brief Summary:**

As outlined in the Buncombe County Personnel Ordinance, employees receive an automatic Cost of Living Adjustment (COLA) each April. During the FY21 budget planning process, the Board of Commissioners directed staff to remove the budgeted funds for the expected COLA for FY21. Budget staff lowered the FY21 salary and benefits budget by \$625,000 and committed to revisiting the item once CPI-W data is released, but prior to implementing the FY21 COLA.

The US Bureau of Labor Statistics released December 2020 CPI data on January 13, 2021. Staff calculated the COLA set to be applied in April 2021, which is 1.45%. The COLA will result in approximately \$400,000 in FY21 costs and add approximately \$1.67 million to the FY22 salary and benefits budget, based on current headcount. Staff recommends using lapsed salary to cover the FY21 cost. No budget amendment is needed.

Staff will revisit this item at a future meeting and present a proposal to align the COLA with the annual budget process.

**Recommended Motion & Requested Action:**

Support staff recommendation to pay for COLA with FY21 lapsed salary

**County Manager's comments and Recommendation:**

County Manager recommends as presented