



Memo

To: Board of Directors
From: Alan E. Clanin
Date: June 19, 2018
Subject: Cost of Living Adjustment

In considering the annual Cost of Living Adjustment (COLA), the District has reviewed the change in the Consumer Price Index (CPI), as determined by the U.S. Department of Labor. The COLA is intended to adjust the wage schedules for the changes in purchasing power caused by inflation or deflation. The CPI increase for the year ending April 2018 is as follows:

	<u>CPI-U</u>	<u>CPI-W</u>	<u>CPI (Average)</u>
U.S. City Average	2.5%	2.6%	2.55%
Los Angeles-Long Beach-Orange County	4.0%	4.1%	4.05%

Last year, the Board gave the employees a 2.6% Cost of Living Adjustment. The 2017 US City Average CPI was 2.15% and the Los Angeles Average CPI was 2.6%. On the attached sheet, we have compared the annual CPI against the COLA given by the District over the past 10 years. Historically District employees have received cost of living adjustments based on the Los Angeles average CPI.

The COLA is an annual wage adjustment that attempts to maintain the employees' earnings at a comparable level from year to year.

Recommendation: Approve a **4.0%** COLA and corresponding pay schedule dated May 31, 2018 for all current employees, including the General Manager effective May 31, 2018.

Financial Impact: Increases the gross, base payroll by approximately **\$37,981** per year. The 2018-19 approved budget includes a 6% increase in payroll costs.

Note: The Department of Labor has two Consumer Price Indexes

1. Consumer Price Index for All Urban Consumers (CPI-U)
2. Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W)

The two indexes measure the price index for slightly different groups. For comparison purposes, both indexes are included and then averaged.

Crestline Village Water District
 10 Year History of COLA Increases
 06/19/18

YEAR	Average CPI for:		CVWD INCREASE	Difference from:	
	US City	LA-Riv-OC		US City	LA-Riv-OC
2008	4.05%	3.40%	3.70%	-0.35%	0.30%
2009	-1.00%	-1.70%	0.00%	1.00%	1.70%
2010	2.65%	2.15%	2.20%	-0.45%	0.05%
2011	3.40%	3.60%	3.60%	0.20%	0.00%
2012	2.80%	2.00%	2.00%	-0.80%	0.00%
2013	1.40%	1.30%	1.30%	-0.10%	0.00%
2014	2.00%	1.50%	1.50%	-0.50%	0.00%
2015	0.50%	0.25%	0.25%	-0.25%	0.00%
2016	1.45%	1.80%	1.80%	0.35%	0.00%
2017	2.15%	2.60%	2.60%	0.45%	0.00%
Totals	19.40%	16.90%	18.95%	-0.45%	2.05%
10 YEAR AVG	1.94%	1.69%	1.90%	-0.04%	0.21%

Note: The Average CPI is the average of the CPI-U and CPI-W indexes for each area.

HOURLY SALARY SCHEDULE
 REVISED AND ADOPTED AT THE REGULAR MEETING OF THE
 BOARD OF DIRECTORS ON JUNE 19, 2018

Salary Grades	RANGE NUMBER	STEP					Longevity Steps			
		A	B	C	D	E	L1	L2	L3	L4
	50	62.28	65.39	68.66	72.09	75.70	77.59	79.53	81.52	83.55
	49	60.76	63.79	66.98	70.33	73.85	75.70	77.59	79.53	81.52
	48	59.27	62.24	65.35	68.62	72.05	73.85	75.70	77.59	79.53
	47	57.83	60.72	63.76	66.94	70.29	72.05	73.85	75.70	77.59
	46	56.42	59.24	62.20	65.31	68.58	70.29	72.05	73.85	75.70
	45	55.04	57.79	60.68	63.72	66.90	68.58	70.29	72.05	73.85
	44	53.70	56.38	59.20	62.16	65.27	66.90	68.58	70.29	72.05
	43	52.39	55.01	57.76	60.65	63.68	65.27	66.90	68.58	70.29
	42	51.11	53.67	56.35	59.17	62.13	63.68	65.27	66.90	68.58
	41	49.87	52.36	54.98	57.73	60.61	62.13	63.68	65.27	66.90
	40	48.65	51.08	53.64	56.32	59.13	60.61	62.13	63.68	65.27
	39	47.46	49.84	52.33	54.94	57.69	59.13	60.61	62.13	63.68
	38	46.30	48.62	51.05	53.60	56.28	57.69	59.13	60.61	62.13
	37	45.18	47.43	49.81	52.30	54.91	56.28	57.69	59.13	60.61
	36	44.07	46.28	48.59	51.02	53.57	54.91	56.28	57.69	59.13
	35	43.00	45.15	47.41	49.78	52.27	53.57	54.91	56.28	57.69
	34	41.95	44.05	46.25	48.56	50.99	52.27	53.57	54.91	56.28
	33	40.93	42.97	45.12	47.38	49.75	50.99	52.27	53.57	54.91
	32	39.93	41.92	44.02	46.22	48.53	49.75	50.99	52.27	53.57
	31	38.95	40.90	42.95	45.09	47.35	48.53	49.75	50.99	52.27
	30	38.00	39.90	41.90	44.00	46.19	47.35	48.53	49.75	50.99
	29	37.08	38.93	40.88	42.92	45.07	46.19	47.35	48.53	49.75
	28	36.17	37.98	39.88	41.88	43.97	45.07	46.19	47.35	48.53
	27	35.29	37.06	38.91	40.85	42.90	43.97	45.07	46.20	47.35
	26	34.43	36.15	37.96	39.86	41.85	42.90	43.97	45.07	46.19
	25	33.59	35.27	37.03	38.89	40.83	41.85	42.90	43.97	45.07
	24	32.77	34.41	36.13	37.94	39.83	40.83	41.85	42.90	43.97
	23	31.97	33.57	35.25	37.01	38.86	39.83	40.83	41.85	42.90
	22	31.19	32.75	34.39	36.11	37.91	38.86	39.83	40.83	41.85
	21	30.43	31.95	33.55	35.23	36.99	37.91	38.86	39.83	40.83
	20	29.69	31.17	32.73	34.37	36.09	36.99	37.91	38.86	39.83
	19	28.97	30.41	31.93	33.53	35.21	36.09	36.99	37.91	38.86
	18	28.26	29.67	31.16	32.71	34.35	35.21	36.09	36.99	37.91
	17	27.57	28.95	30.40	31.92	33.51	34.35	35.21	36.09	36.99
	16	26.90	28.24	29.65	31.14	32.69	33.51	34.35	35.21	36.09
	15	26.24	27.55	28.93	30.38	31.90	32.69	33.51	34.35	35.21
	14	25.60	26.88	28.23	29.64	31.12	31.90	32.69	33.51	34.35
	13	24.98	26.23	27.54	28.91	30.36	31.12	31.90	32.69	33.51
	12	24.37	25.59	26.87	28.21	29.62	30.36	31.12	31.90	32.69
	11	23.77	24.96	26.21	27.52	28.90	29.62	30.36	31.12	31.90
	10	23.19	24.35	25.57	26.85	28.19	28.90	29.62	30.36	31.12
	9	22.63	23.76	24.95	26.19	27.50	28.19	28.90	29.62	30.36
	8	22.08	23.18	24.34	25.56	26.83	27.50	28.19	28.90	29.62
	7	21.54	22.61	23.74	24.93	26.18	26.83	27.50	28.19	28.90
	6	21.01	22.06	23.17	24.32	25.54	26.18	26.83	27.50	28.19
	5	20.50	21.52	22.60	23.73	24.92	25.54	26.18	26.83	27.50
	4	20.00	21.00	22.05	23.15	24.31	24.92	25.54	26.18	26.83
	3	19.51	20.49	21.51	22.59	23.72	24.31	24.92	25.54	26.18
	2	19.04	19.99	20.99	22.04	23.14	23.72	24.31	24.92	25.54
	1	18.57	19.50	20.48	21.50	22.57	23.14	23.72	24.31	24.92

HOURLY SALARY SCHEDULE
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Part-Time/Seasonal Schedule

Salary Grades	RANGE NUMBER	STEP					Longevity Steps			
		A	B	C	D	E	L1	L2	L3	L4
	20	18.12	19.03	19.98	20.98	22.03	22.58	23.14	23.72	24.31
	19	17.68	18.56	19.49	20.47	21.49	22.03	22.58	23.14	23.72
	18	17.25	18.11	19.02	19.97	20.96	21.49	22.03	22.58	23.14
	17	16.83	17.67	18.55	19.48	20.45	20.96	21.49	22.03	22.58
	16	16.42	17.24	18.10	19.00	19.95	20.45	20.96	21.49	22.03
	15	16.02	16.82	17.66	18.54	19.47	19.95	20.45	20.96	21.49
	14	15.63	16.41	17.23	18.09	18.99	19.47	19.95	20.45	20.96
	13	15.24	16.01	16.81	17.65	18.53	18.99	19.47	19.95	20.45
	12	14.87	15.62	16.40	17.22	18.08	18.53	18.99	19.47	19.95
	11	14.51	15.24	16.00	16.80	17.64	18.08	18.53	18.99	19.47
	10	14.16	14.86	15.61	16.39	17.21	17.64	18.08	18.53	18.99
	9	13.81	14.50	15.23	15.99	16.79	17.21	17.64	18.08	18.53
	8	13.47	14.15	14.85	15.60	16.38	16.79	17.21	17.64	18.08
	7	13.15	13.80	14.49	15.22	15.98	16.38	16.79	17.21	17.64
	6	12.82	13.47	14.14	14.85	15.59	15.98	16.38	16.79	17.21
	5	12.51	13.14	13.79	14.48	15.21	15.59	15.98	16.38	16.79
	4	12.21	12.82	13.46	14.13	14.84	15.21	15.59	15.98	16.38
	3	11.91	12.50	13.13	13.79	14.48	14.84	15.21	15.59	15.98
	2	11.62	12.20	12.81	13.45	14.12	14.48	14.84	15.21	15.59
	1	11.34	11.90	12.50	13.12	13.78	14.12	14.48	14.84	15.21