

## **Board of Directors' Meeting of May 25, 2010 Website Summary**

### **Cost of Living Adjustment**

#### **Decision**

The Board of Directors approved a cost of living adjustment of 0.00%, effective January 1, 2011.

#### **Rationale**

In accordance with Application 4 of Policy 04-01, annual cost of living adjustments (COLA) are based on 100% of the change in the average Alberta Consumer Price Index (ACPI) for the 12 months ending March 31 of the year immediately prior to the adjustment, less 0.5%. The policy states the cost of living adjustments are applied on the 1<sup>st</sup> day of January of each year. It further states that the annual cost of living adjustment, arrived at through the formula, is to be ratified by the Board of Directors prior to its application.

The percentage change in the average ACPI for the 12 months ending March 31, 2010 totalled -0.18%. COLA has been calculated as -0.68% (-0.18% less 0.5%) in accordance with WCB policy. As a result, it is recommended that COLA for 2011 be set at a lower bound of 0.00%.