



TOWN OF WELLINGTON  
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**BOARD OF TRUSTEES  
November 19, 2019  
LEEPER CENTER – 3800 WILSON AVE.**

**Work Session --6:30 pm**

Agenda

1. Budget
2. MOU with Chamber of Commerce

## 2020 Proposed Cost of Living Adjustment (COLA) and Merit Pay

### COLA

Wellington has traditionally provided COLA for its employees. COLA allows employees to offset the impact of inflation on their net disposable income.

COLA is determined by the percent of change in the base quarter price index from the previous year to the year in which the COLA is to become effective. The final number is adjusted to the nearest 1/10 of 1 percent. CPI (Consumer Price Index) is based on the retail pricing of a basket of goods and services.

The COLA rate for 2020 is projected at 1.8%. This figure is down from the 3.8% CPI in 2019. Wellington's total projected COLA cost for 2020 is \$45,243. All full-time and permanent part-time Town employees are eligible for COLA (excluding Board of Trustees).

### Merit Pay

Prior to 2019, all Town employees received a 2% yearly increase in addition to COLA. However, beginning in 2019, the Town instituted a merit pay system that is based on employee performance. Merit increases per employee ranged from .05% - 3%.

Merit pay in 2020 is capped at 2% (\$47,810) of total wages for full and permanent part-time employees (excluding Board of Trustees and Town Administrator). Administration and distribution of merit increases will be determined by Department Heads and HR, with final approval by the Town Administrator.

### Effects of COLA and Merit Pay

As stated above, COLA allows employees to offset the impact of inflation. Consider the following examples using an employee making \$50,000 with 1.8% inflation rate.

0% COLA, 0% merit:	Employee will see a net decrease in spending power of \$900
1.8% COLA, no merit:	No change, employee maintains pace with inflation
2% merit, no COLA	Inflation offsets raise for a net increase of .02% (\$100)
1.8% COLA, 2% merit	Net increase of 2% (\$1,000)

**MEMORANDUM OF UNDERSTANDING  
FOR ECONOMIC DEVELOPMENT**

This Memorandum of Understanding ("MOU") is entered into this \_\_\_\_ day of \_\_\_\_\_, 2019, between the Town of Wellington, Colorado ("Town"), a statutory municipality; the Wellington Area Chamber of Commerce ("Chamber"), a 501(c)(3) corporation to outline roles and responsibilities for Business Development, Retention and Expansion Training Grants in the Town of Wellington.

**Recitals**

**Whereas**, the Town of Wellington has long been recognized as a bedroom community of Fort Collins, and

**Whereas**, the Town has seen strong residential growth and in 2017 was recognized as the fourth fastest growing municipality in Colorado, and

**Whereas**, business retention and expansion is a priority of the Town and the Chamber

**Whereas**, the Town has not attracted primary employers at the same pace as surrounding communities, and

**Whereas**, the Town recognizes that providing municipal services to residents and area businesses requires diverse and sustainable revenues that includes strong retail sales taxes and commercial property taxes, and

**Whereas**, the Wellington Board of Trustees identified increasing commercial revenues as the highest-level objective in the Town's 2018 Strategic Plan, and

**Whereas**, the Town recognizes that the Chamber is vital partners in executing an ED strategy that provides for retention of existing business, supporting business growth and expansion, and creating an environment that promotes economic growth and development, and

**Whereas**, the Partners recognize the importance of preserving the independence of each member organization while working collaboratively where respective interests overlap to promote economic development and business growth in the community.

**Therefore, be it resolved**, that the Partners enter into this MOU to identify the roles and responsibilities of the business development, retention and expansion training grant program.

## **Roles and Responsibilities**

### **A. Town.**

The Town shall serve as the lead agency for ED retention and expansion activities. The Town shall serve as the single point of contact for all ED projects when working with state, regional ED agencies, and site selectors for new business recruitment. Additionally, the Town is responsible to:

1. Implement and manage the training grant program.
2. Appropriate \$10,000 to support training grant program.
3. Assist in promoting the training grant program.
4. Partner with the Chamber on a 3-month, 6-month and 12-month follow up to evaluate effectiveness of training grant program to measure outcomes.

### **B. Chamber**

The Chamber is interested in creating a vibrant business community in Wellington, believing that such a business atmosphere will benefit all businesses. The stated purpose of the Chamber is to promote growth and prosperity of business in Wellington and adjacent communities. Additionally, the Chamber is responsible to:

1. Chamber Small Business Development Committee will coordinate with the Town Economic Development Department for appropriate workshop and training programs.
2. Communicate to members upcoming training workshops.
3. Assist in identifying potential businesses that will benefit from the programs.
4. Annual report of program effectiveness and outcomes to the Board of Trustees.

## **Term**

This Memorandum of Understanding shall remain in force by mutual agreement of the Partners. Any Partner may opt out by providing the remaining partners 30-days written notice. Any Partner may request amending or modifying this agreement by providing 30-days written notice to the remaining Partners at the address listed below:

Town of Wellington  
Economic Development  
3735 Cleveland Ave.  
P.O. Box 127  
Wellington, CO 80549

Wellington Area Chamber of Commerce  
4006 Cleveland Ave.  
P.O. Box 1500  
Wellington, CO 80549

**Effective**

This MOU shall be effective on the day of the last signature below.

**Town of Wellington**

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Mayor

Attest: \_\_\_\_\_  
Town Administrator/Clerk

**Wellington Area Chamber of Commerce**

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Chair

Attest: \_\_\_\_\_  
Past Chair