

Most Crescent City employees receive pay increases

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Several Crescent City employees received a 3.3% wage increase and will see another bump in pay of 1% to 3% starting July 1. The 3.3% wage increase has been retroactively applied, dating back to July of last year and will impact the city's budget by \$104,700.

The change was made, in part, because of California's minimum wage increase to \$15 an hour for employers with 26 or more employees, and will equate to a \$1 an hour increase per employee. "The primary purpose is for the city to be able to recruit and retain our employees," said City Manager Eric Wier, who added that as a service-based organization, city employees are Crescent City's greatest asset.

The increase is also a "wage realignment" for all positions within the Crescent City Management Employees Association and the Crescent City Employees Association bargaining units, which includes just under 40 employees. The CCMEA mostly includes technical related positions (the information technology administrator, engineering project manager, finance analyst, etc.), and the CCEA includes public works employees - water, sewer, parks and street repairs.

"We need to be able to offer competitive wages, especially given the employee market that we have now," said Wier. "Minimum wage has increased a dollar an hour for the last five years, so we as a city needed to

evaluate and modestly adjust our wage structure to be competitive. We are hopeful this wage realignment helps us do just that as we have multiple positions currently open.”

During the 2020/21 fiscal year, all of Crescent City’s employees agreed to forego salary increases due to concerns about how the pandemic would play out and impact the city’s bottom line. “The city’s general fund revenue is about 50% reliant on sales tax and TOT (transient occupancy tax),” said Wier. When COVID-related travel restrictions went into effect in 2020, Crescent City experienced a significant decrease in revenue over the first quarter from April to June. “However, we as a city responded concurrently by cutting expenditures and postponing one- time projects,” Wier said. “The entire city staff also agreed to a status quo bargaining agreement, which did not increase any salaries or benefits for the fiscal year 2020-21. Since then, restrictions have eased and early results are indicating we are seeing an increase in both TOT and sales tax.” As a result, a negotiating team that included Wier, City Attorney Martha Rice, Finance Director Linda Leaver and HR Administrator Sunny Valero, recommended wage increases. On Dec. 29, the city council approved them. Contract employees receive the same COLA (cost of living adjustment) as the CCMEA, but this particular wage increase is not a COLA and therefore does not apply to about 30 Crescent City employees, including the city manager and other department heads that work under contract. In fiscal year 2022-23, if the COLA is 3% for both CCMEA and contract employees, Crescent City will pay an additional \$51,000 to its employees. According to Wier, Crescent City has four employee bargaining associations: The CCMEA and CCEA, as well as the Crescent City Police Officers Association and Clerical Employees of Crescent City. The city council agreed to terms with the police officers union last year, and according to Wier negotiations with the CECC (clerical) are happening now.